



BOTSWANA INTERNATIONAL UNIVERSITY
OF SCIENCE & TECHNOLOGY



ANNUAL REPORT 2021/22

BIUST | *Driving Change*



ABBREVIATIONS

BASIS -	BIUST Student Information Centre
BDF -	Botswana Defence Force
BIH -	Botswana Innovation HUB
BIUST -	Botswana International University of Science & Technology
BOMRA -	Botswana Medical Regulatory Authority
BQA -	Botswana Qualifications Authority
CSIR -	Council for Scientific and Industrial Research
CSR -	Corporate Social Responsibility
ECSA -	Engineering Council of South Africa
EMT -	Executive Management Team
ERB -	Engineering Registration Board
ICT -	Information and Communications Technology
LEA -	Local Enterprise Authority
MOHW -	Ministry of Health and Wellness
MoTE -	Ministry of Tertiary Education, Research, Science and Technology
NCQF -	National Credit & Qualifications Framework
MOU -	Memorandum of Understanding
NDP 11 -	National Development Plan 11
NERC -	National Environment Research Council, UK
STEM -	Science, Technology, Engineering and Mathematics
NSW -	National Science Week
SMT -	Senior Management Team
SRC -	Student Representative Council
WHO -	World Health Organisation





Annual Report 2021|22



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COUNCIL CHAIR'S MESSAGE



Mr Balisi B. Bonyongo
BIUST Council Chairman

On behalf of the University I am pleased to present to the Minister the Annual Report for the year, 1st April 2021 - 31st March 2022. The Report was prepared under the Council's direction to comply with provisions of Section 20 of the BIUST Act CAP 57:05.

The Council has a statutory responsibility for the management and administration of the revenue and property of the University as well as an overall governance responsibility for the University and its affairs. The purpose of the Report is to inform the Shareholder and the public how the Council has discharged its responsibilities and to provide a comprehensive overview of the performance of the University and a full and audited disclosure of the end of year financial results.

The financial information included in the report has been provided in accordance with International Financial Reporting Standards (IRFS) with assurance of the Annual Financial Statements being attested to by the University External Auditors.

The responsibility for the integrity of this report is for the Council, which can confirm that the report fairly represents the performance of the University.

The Members of Council have collectively reviewed the content of the report and believe it has taken into consideration all material and fiscal disclosures and implications of which the University is aware. It is on this basis, that on behalf of the University Council I present this Annual Report of the activities of the University during 2021/2022 to the Minister and for it to be made available to the public in accordance with section 20 of the BIUST Act [CAP 57:05].

Mr. Balisi B. Bonyongo
BIUST Council Chairman
September 2022

VICE CHANCELLOR'S FOREWORD



Professor Otlogetswe Totolo
BIUST Vice Chancellor

The year started on a low note owing to the impact of the COVID-19 pandemic as it drizzled into the 2021/22 financial year.

The University received External Research income of a total of BWP11, 705,129.15 as a percentage of annual University income. This represents 2.66 percent against the set target of 7 percent.

Thus far, I have signed functional Memoranda of Agreement (MoA) with 40 institutions locally, regionally and globally in the areas of capacity building, student exchange, knowledge and information exchange, academic resourcing, climate change and intellectual know-how in STEM. To this end, I have ably produced 10 research projects during the year under review with academic staff and students from the Faculty of Engineering and Technology and the Faculty of Science.

The accumulative third stream income total received for the financial year under review amounted to BWP606, 955.00, which is 0.14 percent of the University Revenue (BWP440, 709,572.00) against a target of 2 percent. The University will be operationalising its enterprise strategy to drive commercial sustainability.

The project integration of the Research Grant Management Module with the Oracle System has been successfully completed. Researchers can access the status of their grant financials through the Research Grants Management Module.

The 2021-2022 Postgraduate Research Grants amounting to BWP2, 140,000.00 were awarded to 64 students by the Senate Research and Innovation Committee after the review by the respective faculties.

During the year under review, the University set up the following ethical review committees to ensure compliance to the national statutes;

- a) Animal Research Ethics Committee
- b) Human Research Ethics Committee
- c) Biosafety Research Ethics Committee

The organisation continues to face insufficient University Research Budget. COVID-19 pandemic continued to affect the research landscape as most of the funders significantly reduced their research budget for 2021/22 financial year.

The absence of the Student Information System proved a major challenge from an enrolment perspective during the COVID-19 pandemic. Enrolment services across the industry have moved fully online in response to the pandemic and in line with public health protocols, a move which proved a challenge to the University.

During the year under review, the University enrolled 1956 students and this represents a 91 percent performance against the University's target of 2140. The University's student retention strategy is the major contributor to this performance as the University is doing well to retain most of the enrolled students.

During the year under review, a target of graduation levels of 83 percent for Bachelor degree, 65 percent for Master's and 40 percent for Doctorate programmes was set by the University. The performance achieved for each level of graduation was 66 percent, 17 percent and 24 percent respectively. As means of enhancing output of the postgraduate students, the University will expedite the comprehensive operationalisation of the School of Graduate Studies.

Regarding internal processes, BIUST undertook the Brand awareness survey to ascertain the extent to which the BIUST Brand is known both in Botswana and Internationally. The Brand awareness in Botswana based on the sample size interviewed was 71 percent which is higher than the set target of 65 percent while the International Brand awareness was 77 percent against the set target of 50 percent. Both the National and International measures performed exceptionally well.

The University continues to ensure that all its activities are carried out through a prudent financial management process to ensure creation of value or wealth through effective financial planning for achievement of its strategic objective. During the year 2021/ 2022 the University had gross operating income of BWP584 882 038.00 consisting government subvention of BWP 437 615 899.00 and tuition income of BWP 62 933 550.00 whilst the total expenditure of the University amounted to BWP 639 139 148.00

The advent of COVID-19 led to a reduction in the implementation of National Development Plan 11 (NDP 11) projects particularly the student centre, the library and the dining hall.

Professor Otlogetswe Totolo
VICE CHANCELLOR



MOU signing between BIUST and Ministry of State President



MOU signing between BIUST and Khoemacau Copper Mine



Morupule Coal Mine General Manager, Mr. Edwin Elias donated earth moving equipment to BIUST for teaching learning purposes, which was received by the BIUST Vice Chancellor, Professor Otlogetswe Totolo



BIUST OVERVIEW

The Botswana International University of Science and Technology (BIUST) is a research-intensive University and the only specialised University in Science, Technology, Engineering & Mathematics (STEM). It aims to increase:

- i) Competitiveness
- ii) Economic growth and sustainable development,
- iii) The number of skilled scientists and technologists,
- iv) Movement of skilled people across national boundaries
- v) Demand for access to tertiary education.
- vi) Stimulation of research, innovation and technology transfer and society's aspirations and
- vii) To be a more competitive and innovative tertiary education sector

The mission of BIUST is to produce world class research and innovation in science, engineering and technology contributing to industry growth and development and advancement of a diversified knowledge-based economy. The Vision of this specialised university is to be a 'premier research-based university of science, engineering & technology internationally recognised for the quality and excellence of its teaching and learning by 2023.

The University's Strategic Plan 'A Catalyst for Innovation and Transformation,' sets the direction of the University for the next three years from 2019/20 to 2022/23 and towards 2028, informed by an assessment of the external environment which provided an understanding of the future external environment the university would need to respond to.

The University's primary focus is centred on strengthening the academic value chain comprising three key elements of academic excellence, commercial attractiveness and social relevance. This represents the university's mission's critical components, which work together in a systematic relationship to transform the economy from a research based to a knowledge-based economy.

BIUST remains the only STEM University in the country with a unique mandate to propel the university towards becoming a research-intensive institution characterised by international best practice and affiliation to reputable global bodies.

A. ACADEMIC EXCELLENCE

i) The reconfigured University's learning programmes produce market relevant graduates; these include Financial Mathematics, Mechatronics, Actuarial Sciences, Forensic Sciences, Cyber Security and Biotechnological Sciences amongst others.

ii) 48 percent of our graduates are employed within six months after graduation.

iii) The University has upgraded all its learning programmes from Bachelors to include Honours Degree qualifications making our graduates more attractive to the global community.

iv) The academic curricula for the undergraduate programmes cover courses that equip students with business management, entrepreneurship and other soft skills needed for them to be well-rounded STEM graduates, a differentiating factor to brand the BIUST graduate.

v) The University Library is pioneering a Presidential Collection as an incubation of the Presidential Collection concept, and this is the first of its kind in the country. vi) The BIUST Academic Staff members are PhD holders, with a track record of research, varied professional experiences and are renowned nationally or internationally as practitioners in a specific field or have made impactful contributions to their domains of expertise.

vii) BIUST is appointed a National Coordinator for the African Very-long based interferometer Network (AVN) project of Square Kilometer Array (SKA). It is housing facilities that will be used to develop the capacity to operate and maintain an antenna for the telescope. BIUST is also hosting the SADC Satellite Receiver to enhance Botswana's Geo-Information System through Monitoring for Environment and Security in Africa (MESA) project.

B. COMMERCIAL ATTRACTIVENESS

i) Using the pyrolysis plant, the chemical engineering department has completed the Coal-to-Liquid Conversion project to turn coal into oil, tar, and soap products, using local materials.

ii) BIUST has received external research funding from the following institutions: Debswana; Botswana Defence Force; Simons Foundations; Botswana Innovation Hub; NEED Project; Innovate UK; Horizon 2020; Future Leaders; Global Challenges Research Fund; and Connect4, European Commission, the O.R Tambo Research Chair Initiative (ORTACHl) and UNESCO Chair on Advanced Manufacturing aimed at promoting international inter-university cooperation and networking.

iii) BIUST has sophisticated research equipment that is currently used mainly by the University for teaching and learning, research and for commercial gain.

iv) One of the landmark research projects is the kick-start of the BOTS SAT 1 (Satellite), v) the re-engineering of Drones for Health initiative in partnership with the Ministry of Health, United Nations Development Programme (UNDP) and other international corporations such as AVY of Netherlands.

vi) High Quality Fly-Ash and Slag Bricks research has been completed and ready for investors uptake, this product is using locally available raw materials. the Fly-ash and slag brick as an eco-friendly brick made from by-products currently treated by the mining industry. Compared to the conventional brick, it has superior strength and meets the national quality standards.

vii) Smart Hard Hat - The current hard hats used in Botswana do not incorporate biometric sensors as a safety measure. Currently, there are no locally designed and manufactured hard hats to feed the mining and construction industries hence consumption is fully fed from imports.

viii) Poultry Litter Pyrolysis Plant - Poultry Litter is a waste product that needs to be properly disposed in accordance with best practice. In the absence of a safe sustainable solution, we have a Poultry Litter Pyrolysis plant that will unlock the value of PL as a resource for our customers, converting it into valuable products (a) Biochar, (b) Biofuel Oil, and (c) Electricity for local consumption.

ix) Production of Sodium Hypochlorite CLHOR Alkali Process - Botswana is rich with exploitable natural resources among them salt deposits produced from the BOTASH's operations, the largest producer of natural sodium products in

Africa producing about 650 000 tonnes per annum. The salt produced contains about 98-99% Sodium Chloride (NaCl) through an electrolysis or chlor-alkali process to obtain sodium hypochlorite and by-products; Chlorine, Hydrogen and Sodium hydroxide. Sodium hypochlorite, is used for the production of cleaning detergents, manufacturing of polyvinyl chloride (PVC), water treatment and as a disinfectant of medical equipment.

x) Off-Grid Secured Smart House - In industry, there is a desire for cost efficiency in the use of electricity. Existing smart home/building systems can provide monitoring, automation, and control of electrical appliances in a building. However, these systems lack an independent power supply, security and access control measures for sockets and switches which leaves them vulnerable to misuse, leading to electricity wastage or damage to electrical appliances and property.

xi) Antimicrobial Toilet Seat Mat - Antibiotic resistance is becoming a rundown of global health crisis due to rapid development of resistance to current antimicrobial drugs among them Acinetobacter genus and Staphylococcus aureus. Rest rooms, particularly public toilets mostly harbour pathogenic microbes because of high usage and ineffective cleaning. To address this concern, this project is aimed at synthesising an anti-microbial toilet seat mat to replace conventional disinfection.

c. SOCIAL RELEVANCE:

Outreach and Engagement services take the University to the people and bring the people to the University. The following are some of the University achievements:

a) So far, the University trained and graduated:
i) 185 Youth Development Fund Beneficiaries in entrepreneurship to support their business initiatives.

ii) 489 Mathematics and Science Teachers both primary and secondary in a Problem- Based Approach to teaching STEM subjects.

b) The University has established Pre-University Academic Programmes to promote Social Responsibility. Some of the active initiatives are:

i) BIUST circuses programme is a collection of themed science and mathematics demonstrations presented in a fascinating and yet very educational manner to increase concentration, absorption and retention, currently 142,000 students have gone through the programme.

ii) BIUST STEM festival is about celebrating Science, Technology, Engineering, and Mathematics achievements by showcasing products and or intellectual concepts/ideas to motivate participants to develop more interest in STEM.

iii) BIUST's schools' visitation programme gives primary and secondary school learners an opportunity to talk to academic experts (lecturers and technicians) on the subjects of the learners' interests or subjects deemed difficult.

iv) Inquiry Based Science Education project introduces learners to the key elements which are used in scientific research much early in life, such as observation, experimentation, asking questions, making hypothesis, designing investigations, mainly to improve learners' performance.

v) BIUST student mentorship outreach programme involves BIUST engineering students working with pre-tertiary learners of Lotsane Senior Secondary School. The programme seeks to work on the students' attitude and help them with good understanding of the subjects through motivational talks and tutoring by their peers who are at university level. BIUST Engineering Students Association (BESA) members provide tutorials to the students at specified times, particularly on weekends and holidays.

vi) BIUST video conferencing STEM support programme with secondary schools whereby BIUST lecturers connect with the school to explain some concepts.

vi) Botswana Scholars programme involves BIUST postgraduate tutor recruitment and selection; training in teaching and learning facilitated by BWScholars and AccessEd; placement of tutors in local government schools to work with underserved young people to increase insights and progression to University, develop transferrable learning skills and provide professional development opportunities for post graduate students.

viii) Entrepreneurship programme for youth job shadowing and mentorship program aims at developing the following problem solving, Analytical skills, Critical Synthesis skills.

ix) Girls excelling in Mathematics and Science (GEMS) programme: Six remote area senior secondary schools were identified for the GEMS mentorship programme. They include Matsha, Mahupu Unified, Tsabong Unified, Shakawe and Maun. It's objective is to foster a STEM focused pre-university candidate.

5.0 CONCLUSION

BIUST has positioned itself to be one of the key drivers for transforming Botswana's economy from a resource-based to a knowledge-driven economy. Not only is the country now able to produce its own scientists and engineers, BIUST has also developed a strong academic value chain comprising of teaching & learning, research & innovation, and engagement for development.



UNIVERSITY GOVERNANCE AND MANAGEMENT

Effective governance plays a major role in guiding universities to achieve their mission and objectives. This can be achieved when the various levels of the governance structures are given autonomy in decision making related to their areas of operation. The university Governance structures are currently operating well

UNIVERSITY COUNCIL

The Council is the Executive body of the University with primary governance responsibility for policy-making, administration, planning of its work and the prudential management of the University resources. It is charged with implementing high-quality governance structures and building capacity to ensure a sound governance system, focusing on strategy implementation, performance, value creation, internal controls, cost recovery, quality assurance and risk management. This objective is ensured through the University Council established in terms of Section 9 of the BIUST Act.

COUNCIL PROFILES, EXPERIENCES AND ACADEMIC CREDENTIALS



H.E. Dr. Festus Gontebanye Mogae

H.E. Dr. Festus Gontebanye Mogae, BIUST Chancellor NYB, MCC, PH, MP Former President of the Republic of Botswana (1998–2008). Honorary Degree of Doctor of Laws, University of Botswana (1998), MA Dev Econ, University of Sussex, Brighton, England. BA (Econ) University College, Oxford. Former Minister (1968) Development Planning (later the Finance and Development Planning) Ministry (1975–76). Permanent Secretary MFDP (1982– 89). Experience: International Monetary Fund (IMF) Washington, D.C (1976) Alternate Executive and then Executive Director for Anglophone Africa. Governor of the Central Bank of Botswana (1980–81). Served on various Boards of Parastatals. Botswana Housing Corporation (BHC), Botswana Meat Commission (BMC), Cold Stores Limited and Botswana Development Corporation (BDC). Former Chairman: Choppies Group of Companies. Recipient of the Mo Ibrahim Award and Distinguished Award for HIV/AIDS Leadership in Southern Africa. (2002)



Mr. Balisi Bonyongo

Mr. Balisi Bonyongo, Council Chairperson. Former Managing Director, Debswana Diamond Mining Company (Pty) Ltd. Bachelor of Engineering (Hons) Mineral Engineering University of Leeds, Master of Business Administration, University of Cape Town (UCT), Senior Executive Programme, London Business School. Executive Leadership, Strategy Management, Corporate Governance. Appointed by the President-Section 7 of the BIUST Act CAP 57:05



Dr. Seja Maphanyane

Dr Seja Maphanyane, Vice Chairperson. PhD Plant Breeding, International Agriculture and Seed Physiology Cornell University, Ithaca NY-USA, MSc Plant Pathology and Statistics-South Dakota-USA, Bachelor of Science in Agriculture-UBLS. Private Consultant and Horticultural Producer, Research Science and Technology, Council Member, Chairperson Finance and Risk Committee, Joint Committee of Council and Senate, Council Tender Committee, Council Infrastructure Committee. Appointed by the Chancellor-Section 9 (2) (c) of the BIUST Act CAP 57:05 Civil Society.



Professor Otlogetswe Totolo, PhD, BFAS

Professor Otlogetswe Totolo, PhD, BFAS - Vice-Chancellor – He has held a number of executive positions at the University of Botswana (UB). PhD University of London (UK), MSc University of Reading, UK, BSc Degree and Post Graduate Diploma in Education (PGDE) UB. He is a seasoned Environmental Scientist, Executive Leadership, Corporate Governance, Academic Research Scientist, and Executive Management Team. Appointed by the Minister-Section 9 (2) (a) of the BIUST Act CAP 57:05 Executive Management



Professor Abraham Atta Ogwu

Professor Abraham Atta Ogwu, Deputy Vice-Chancellor, Research Development & Innovation possesses a PhD in Materials Science and Engineering from Manchester University, England U.K in 1994, MSc in Metallic and Ceramic materials in 1986 from Manchester University, England, U.K. and a BSc (Hons) in Engineering Physics from the University of Ife (now OAU), Nigeria in 1982, He completed executive management education at the MIT Sloan School of Management in 2011. Appointed by the Council-Section 9 (2) (a) of the BIUST Act CAP 57:05. Executive Management



Prof Elisha Shemang

Prof Elisha Shemang - Acting Deputy Vice-Chancellor (Academic PhD, Applied Geophysics, MSc Applied Geophysics, BSc (Hons) Geology and Mining Executive Leadership, Academic Research Scientist, Council Member, Executive Management Team, appointed by the Council - Section 9 (2) (a) of the BIUST Act [Cap 57:02] Appointed by the Council-Section 9(2) (a) of the BIUST Act CAP 57:05. Executive Management



Distinguished Professor Estella Atekwana

Distinguished Professor Estella Atekwana, Oklahoma State University, Head, Regents Distinguished Professor, Academic Research Scientist, Council International Appointee, PhD Geophysics, Dalhousie University, MS Geology (Magna cum Laude) Howard University. Appointed by the Minister-Section 9 (2) (d) International Appointee, Special Knowledge and Competence in Relevant Field of Tertiary Education.



Mr. Davies Tele

Mr. Davies Tele – Acting Deputy Vice-Chancellor (Finance and Administration). He holds a Masters in Finance and Accounting and Bachelors in Accounting. He is a member of the Association of Certified Chartered Accounts (ACCA), Fellow Certified Chartered Accountant, fellow Certified Professional Accountant. Appointed by the Council-Section 9(2) (a) of the BIUST Act CAP 57:05. Executive Management



Mr Dawid Kadzke

Mr. Dawid Kadzke – Deputy Vice-Chancellor (Finance and Administration). He holds a Bachelor of Commerce, University of South Africa. He has held a number of executive positions. Competencies: Finance and Economics, Executive Leadership, Financial reporting, Manpower management. Appointed by the Council-Section 9(2) (a) of the BIUST Act CAP 57:05. Executive Management



Professor Shadrack Toteu

Professor Shadrack Toteu, PhD Earth Sciences Environmental Scientist, Academic Research Scientist, Council Member, Joint Committee of Council and Senate (Review). Appointed by the Minister Section 9 (2) (d) of the BIUST Act CAP 57:05. International Appointee Special Knowledge and Competence in Relevant Field of Tertiary Education



Ms. Dineo Setshogo

Ms Dineo Setshogo, Bachelor of Commerce in Accounting, UB, Ministry of Finance and Development Planning as Finance Manager. Competencies: Accountancy, Project Management Council Member, Council Finance and Risk, Joint Committee of Council and Senate. Appointed by the Minister-Section 9 (2) (b) of the BIUST Act CAP 57:05. Public Service



Kgosi Michael Moforaga.

Kgosi Michael Moforaga, Tribal Administration, Tribal Administrator, Social Welfare, Community Development, Tribal Administration, Council Member, Council Infrastructure Committee, Diploma in Theology, Kgolagano College, Certificate in Teaching (Serowe Teachers Training College). Appointed by the Chancellor-Section 9 (2) (c) of the BIUST Act CAP 57:05 Civil Society.



Professor Joseph Chuma

Professor Joseph Chuma, PhD Electronic System Engineering, University of Essex, United Kingdom (UK). Master of Business Administration, UB, MSc in Telecommunications and Information Systems Engineering, University of Essex, UK, BSc in Electrical and Electronic Engineering, Nottingham University, UK Academic Research Scientist, Policy Formulation, Corporate Governance, Council Member. Appointed by the Council Section 9 (2) (a) of the BIUST Act (CAP57:05). Senate - Professor



Mr Edwin Elias

Mr Edwin Elias, Debswana Diamond Mining Company, Group Head of Ore Processing and Metallurgy, Strategic Management, Business Planning and Assurance, People Management, Council Member, Executive Master in Business Administration, Rotman School of Management, Toronto Canada, BSc in Metallurgical Engineering, Missouri University of Science and Technology, USA, Emerging Leaders Programme Business School of London, Chancellor, Section 9 (2) (c) of the BIUST Act CAP 57:05, Private Sector.



Mr Thapelo Otukile

Mr Thapelo Otukile, Director, Chemical, Biological, Radiological Nuclear Weapons management Authority at the Ministry of Justice, Defence and Security. Masters in Clinical Ultra Sound, University of South Bank, BSc in Radiological Technology, University of Hartford, Connecticut, USA, Post Graduate Certificate in Enterprise Risk Management, BAC, Botswana. Minister – appointed by the Minister Section 9 (2) (b) – Public Service.



Mr. Letsapa Mojaphoko

Mr. Letsapa Mojaphoko (BEng, CEng MIEE), Mojaphoko, Specialist, Information Communication Technology (ICT), Chartered Engineer, BEng. Telecommunications Engineering, University of Essex, Colchester, United Kingdom, Member of the Institution of Electrical Engineers (CEng IEE), United Kingdom. Former Deputy Chief Executive Officer, Botswana Telecommunication Corporation (BTC), Senior Manager Technical, Deputy Permanent Secretary, Government Implementation Coordination Office, Office of the President, Volunteered at Human Resources Development Council Member, ICT Sector Committee Member. Appointed by the Council – Section 9 (2) (c) as read with Section 11 of the BIUST Act CAP 57:05.



Mr. Ketane Sithole

Mr. Ketane Sithole (B.SC. (Hons), CEng, FIET, MBA (Cardiff) Sithole has a Master of Business Administration from the University of Wales, Bachelor of Science (Honors) in Electronics and Electrical Engineering, University of Ife, Nigeria, former Chief Executive Officer of Botswana Power Corporation, Country Manager of Bateman Projects, Business Development Director, Grinaker (LTA Power Division), Business Development Consultant. Fellow of the Institute of Engineering and Technology, UK, Vice Chairman of World Energy Council Executive Assembly for the African Continent. Appointed by the Council – Section 9 (2) (c) as read with Section 11 of the BIUST Act CAP 57:05.



Ms Tebogo Segolodi

Ms Tebogo Segolodi, Centre for Disease Control, Laboratory Team Leader, Biomedical Scientist and Researcher, Council Member, MSc Biomedical Science (Clinical Chemistry) NE-SCOT, Biomedical Sciences and Chemistry De Montfort University, UK. Chancellor-Section 9 (2) (c) of the BIUST Act CAP 57:05, Private Sector



Mr. Arun P. Iyer

Mr. Arun P. Iyer holds a Bachelor of Accounting, from the University of Botswana, master's in accountancy from the University of Illinois, USA. Chief Executive Officer, Alpha Direct Insurance Co., Director, Flo-Tek, Chairman & CEO InsourcePro, Chief Executive Officer, Astutant Group, Founder, Virtual Internet Africa, Stanford University Graduate School of Business, Harvard Business School, the University of Illinois at Urbana-Champaign, University of London. Appointed by the Council – Section 9 (2) (c) as read with Section 11 of the BIUST Act CAP 57:05.



Professor Raymond S. Suglo

Professor Raymond S. Suglo, PhD and MSc in Mining Engineering from University of Alberta, Edmonton, Canada; Postgraduate Diploma and BSc in Mining Engineering from Kwame Nkrumah University of Science and Technology, Kumasi, Ghana. He was the Head of the Department of Mining and Geological Engineering for 6 years and acted as Dean of the Faculty of Engineering and Technology for over 2 years. Appointed by Senate - Section 9(2) (f) of the BIUST Act CAP 57:05, Senate – Professor.



Professor W. Masamba

Professor W. Masamba, PhD Analytical Chemistry, MSc Analytical Chemistry University of Florida, USA, BSc Chemistry and Mathematics, University of Malawi. He is the Head of the Department of Chemistry and Forensic Sciences, Analytical Chemist, and Academic Research. Appointed by Senate, -Section 9(2) (f) of the BIUST Act CAP 57:05, Senate – Professor



Mr. Lopang Jibajiba

Mr. Lopang Jibajiba possesses a BA Sociology (UB), a Certificate in Events Management (UCT). Elected by Support Staff- Section 9(2) (h) of the BIUST Act [CAP 57:05] Support Staff.



Dr. Malatsi Galani

Dr Malatsi Galani, BIUST Computer Scientist, Academic Research, Information Systems and Communication Council Member, Academic Staff Representative, Joint Committee of Council and Senate (Review) PhD Information Technology and Computer Sciences, Elected by Academic Staff-Section 9(2)(g) of the BIUST Act CAP 57:05. Academic Staff.



Mr. Papiso B. Makwati

Mr. Papiso B. Makwati, Secretary to Council- Holds a Bachelor of Laws from the University of Botswana (LLB), and Master of Laws from the University of Stellenbosch (LL.M). Leadership Management Development Programme (University of Stellenbosch Business School), Certificate in Telecommunications Policy, Regulation and Management (Wits University). Appointed in terms of Section 10.5 of the University Statutes.



Mr. Obuile Morewane

Mr. Obuile Morewane holds a Bachelor of Energy Systems and Engineering, BIUST, Energy and Mechanical Engineer (ERB), Lead Energy Systems Engineer, Bio Watt Botswana (Pty) Ltd, Mechanical Engineer, Ministry of Youth Empowerment Sports and Culture Development, Industrial attachment, Department of Energy (DOE), Chairperson, Green Energy and Sustainability Association, Botswana, Member of the World Energy Council. Appointed by the Council – Section 9 (2) (e) of the BIUST Act CAP 57:05.



Mr. McDonald Molome

President, Student Representative Council Fourth year, Computer Science student. Elected by the Student Body Section 9 (2) (i) of the BIUST Act (CAP 57:05) – Student.

**BIUST COUNCIL
SITTING ALLOWANCES PAYMENTS 2021-2022
PER MEMBER AND PER MEETING**

Member's Name	Meeting Dates										# meetings attended	Sitting Allow	Total claimed
	06 April '21	30 JULY '21	16 Sept'21	15 Oct'21	25 Oct'21	15 Feb'22	24 Mar'22	28 July'22					
Mr B. Bonyongo	1	1	1	1	1	1	1	0	1	0	7	2,250.00	15,750.00
Dr Seja Maphanyane	1	1	1	1	0	1	1	0	1	0	5	1,800.00	9,000.00
Kgosi Michael Maforaga	0	1	1	1	1	1	1	1	1	1	7	1,800.00	12,600.00
Mr Edwin Elias	1	1	0	0	1	1	1	1	1	0	5	1,800.00	9,000.00
Ms Tebogo Segolodi	1	1	0	1	1	1	1	1	1	1	7	1,800.00	12,600.00
Prof Estella Atekwana	1	1	1	1	1	1	1	0	1	0	6	1,800.00	10,800.00
Mr Letsapa Mojaphako	1	1	1	1	1	1	1	1	1	1	8	1,800.00	14,400.00
Mr Ketane Sithole	1	1	1	1	1	1	1	1	1	1	8	1,800.00	14,400.00
Mr Arun Iyer		1	1	1	1	1	1	1	1	1	6	1,800.00	10,800.00
Mr Obuile Morewane		1	0	1	1	1	1	1	1	0	6	1,800.00	10,800.00
	7	10	1	9	9	10	8	5			65	18,450.00	120,150.00

COUNCIL COMMITTEES

The Council has delegated some of its responsibilities to the following specialist Standing Committees, which are constituted in accordance with the University Statutes.

COUNCIL AUDIT & RISK COMMITTEE (CARC)

The Council Audit and Risk Committee (CARC) is a standing committee of the Council. The CARC comprises two (2) Council members, who are not employees of the University, two (2) external members independent of Management and the University and who are not members of the University Council and ex-officio members as prescribed in the University Statutes. The members jointly possess the financial expertise and qualifications necessary to discharge the functions of the committee in line with best practice rules and standards.

The purpose of the Committee is to provide oversight on the corporate governance framework incorporating risk management and internal control in order to assist and provide assurance to the University Council on the:

- Integrity of financial reporting systems and financial statements
- Effectiveness of risk management through functional implementation in monitoring risk, and compliance to applicable policy and guidelines adopted.

Item	Name
1	Mr. Arun Iyer (Chairperson)
2	Professor Otlogetswe Totolo
3	Professor Elisha Shemang
4	Professor Abraham Atta Ogwu
5	Mr. Davie Tele
6	Ms. Ookeditse Kamau
7	Ms. Mmametsi Setlhare
8	Ms. Tebogo Segolodi
9	Mrs. Mantho Mokobi

Risk Management Statement

The University recognises that a risk management process is intrinsic to the achievement of its operational goals and strategic objectives. Risks are identified, recorded, prioritized and managed through a systematic approach for CARC oversight. To ensure effective risk management, the Directorate of Audit acts as the third line of

defence providing independent and objective assurance on the University's corporate governance, internal control, compliance and risk management systems.

BIUST COUNCIL FINANCE COMMITTEE

The Committee is responsible for advising Council on the financial position of the University, including its accounts, investments and general financial viability. The Committee also ensures, on behalf of the Council, that there is compliance with applicable regulatory standards of reporting.

Item	Name
1	Dr. Seja G. Maphanyane (Chairperson)
2	Professor Otlogetswe Totolo
3	Professor Abraham Atta Ogwu
4	Professor Elisha Shemang
5	Mr. Davies Tele
6	Ms. Dineo Setshogo
7	Mr. Thapelo Otukile
8	Mr. Ketane Sithole
9	Mr. Obuile Morewane

COUNCIL HUMAN RESOURCES COMMITTEE

The Committee is responsible for providing policy guidance and oversight to the University on issues relating to employment and conditions of service.

Item	Name
1	Mr. Edwin Elias (Chairperson)
2	Mr. Letsapa Mojaphoko
3	Kgosi Michael Moforaga
4	Mr. Obuile Morewane
5	Professor Otogetswe Totolo
6	Professor Elisha Shemang
7	Professor Abraham Atta Ogwu
8	Mr. Davies Tele

COUNCIL INFRASTRUCTURE AND INFORMATION TECHNOLOGY GOVERNANCE COMMITTEE

The Committee provides policy guidance and oversight on all issues relating to physical infrastructure development. The council infrastructure Committee notes all Capital Projects Reports going to the Council Tender Committee.

Item	Name
1	Mr. Letsapa Mojaphoko (Chairperson)
2	Mr. Ketane Sithole
3	Kgosi Michael Maforaga
4	Dr. Seja G. Maphanyane
5	Professor Otlogetswe Totolo
6	Professor Elisha Shemang
7	Professor Abraham Atta Ogwu
8	Mr. Davies Tele

COUNCIL TENDER COMMITTEE

The Committee provides oversight on procurement, adjudication and award of tenders.

	Name
1	Mr. Ketane Sithole (Chairperson)
2	Mr. Letsapa Mojaphoko
3	Dr. Seja. G. Maphanyane
4	Mr. Thapelo Otukile
5	Professor Otlogetswe Totolo
6	Professor Elisha Shemang
7	Professor Abraham Atta Ogwu
8	Mr. Davies Tele

SENATE

The Senate is the highest academic body responsible to Council. It is established by the BIUST Act and is responsible for general control and direction of teaching, research and innovations, examinations, conferment of degrees and the granting of other University awards.

The Act sets out the objectives of Senate, which has a delegated responsibility for the academic work of the University. In accordance with the statutes, the Senate chaired by the Vice Chancellor, is mandated to provide Council with a coherent overview of the academic

governance of the University. Furthermore it drives performance, ensures accountability and provides guidance to the Council and Executive Management where interventions are required. During the year under review, the Senate approved the following: Graduation Statistics, Accreditation, Academic Policy Guidelines and the Suspension of Teaching and Learning.

EXECUTIVE MANAGEMENT

The Executive Management comprises the Vice Chancellor and three Deputy Vice Chancellors at the apex of the University Management structure. It provides the final link between management and the University governance structures. The Executive Management has overall responsibility for the strategic management and operations of the University.

Members of the Executive Management 2021/22 were:

- Professor O. Totolo, Vice Chancellor
- Professor Elisha Shemang, Acting Deputy Vice-Chancellor (Academic Affairs)
- Professor Abraham Atta Ogwu Deputy Vice-Chancellor (Research Development and Innovation)
- Mr D. Katzke, Deputy Vice-Chancellor (Finance and Administration)
- Mr Davies Tele, Deputy Vice-Chancellor (Finance and Administration)

SENIOR MANAGEMENT

The Senior Management is led by the Vice Chancellor and includes in its membership, the three Deputy Vice Chancellors, Deans, Faculty Representatives and Directors. The key responsibility of the Senior Management is to ensure a close interface between the Executive Management and the Senior Academic and Directors who are responsible for the implementation of the University policies and programmes at an operational level.

STUDENT GOVERNANCE

The Student Representative Council (SRC) forms part of the University governance structures and represents student interests in the Council and Senate. The SRC promotes vibrant student life including the social and welfare needs through the running of societies, clubs, entertainment and sports.

EXECUTIVE MANAGEMENT:

Members of the executive Management 2021/2022 were:



Professor Otlogetswe Totolo

Vice Chancellor



Professor Elisha Shemang

Deputy Vice Chancellor
Academic Affairs (AG)



Professor Abraham Alfa Ogwu

Deputy Vice Chancellor
Research Development
and Innovation



Mr. Dawid. Katzke

Deputy Vice Chancellor
Finance and Administration



Mr. Davis Tele

Deputy Vice Chancellor
Finance and Administration (AG)
December 2021



BIUST Vice Chancellor, Prof. Otlogetswe Totolo awarding the Chancellor's Award to Agolame Puoetsile



Stanbic Bank HOD Business & Commercial Client Segment, Calistas Chijoro presenting the Diamond Sponsor cheque



The Deputy Commander, Botswana Defence Force, Major General Mpho Churchill Mophuting toured BIUST teaching and research laboratories



Hon. Dumezweni M. Mthimkhulu and Hon. Aubrey Lesaso toured BIUST teaching and research laboratories

BIUST STRATEGY MAP



Strategic Focus

Based on the foregoing analysis, the essence of the University's strategy is that as Botswana's only international science, engineering and technology University, it must drive the economic and social development of Botswana and have an international outlook; it must exceed the performance and results of its peers; must have strong leadership, a competitive academia, supported by integrated and aligned management capabilities; a sound financial base and entrepreneurship culture which recognizes staff as its main asset.

Mission

Produce world class research and innovation in science, engineering and technology contributing to industry growth and development and advancement of a diversified knowledge-based economy.

Vision

Premier research-based university of science, engineering & technology internationally recognised for the quality and excellence of its teaching and learning by 2023.

Core Values

In carrying out its mission, realizing its vision and in all its actions the University is guided by the following core values:

1. **Equality and Diversity** – fair and equal treatment, respect for the rights, differences, and dignity of others, promoting an inclusive culture for all.
2. **Sincerity and Trust** – genuine, truthful, honest, transparent, integrity, reliability.
3. **High performance and Quality** – hard work, teamwork; strong work ethics; commitment, dedication, fast-paced, successful, accountability, quality and results-oriented, ambitious, recognition and reward, talented staff, and students.
4. **Innovation** – creative, open-minded, resourceful, entrepreneurial,
5. **Quest for knowledge and understanding** – freedom of thought, inquiry and expression and the encouragement of a questioning spirit.

Financial

- To develop a long-term sustainable business model for BIUST.
- To engage in commercial Science and Technology researched projects in partnership with industry & entrepreneurs.

Stakeholder

- To deliver quality research with tangible applications & products that can support the needs of industry and society.
- To provide responsive (differentiated) programmes that will create excellent career opportunities nationally and globally.
- To ensure quality, academic excellence and the maintenance of high academic standards.

Internal Processes

- To improve the reputation and brand value of BIUST nationally and internationally.
- To develop systems and processes for the governance and efficiency of operations.
- To leverage partnerships for research that develops innovation and technology solutions for economic.
- To manage the financial resources prudently and effectively.

Learning & Growth

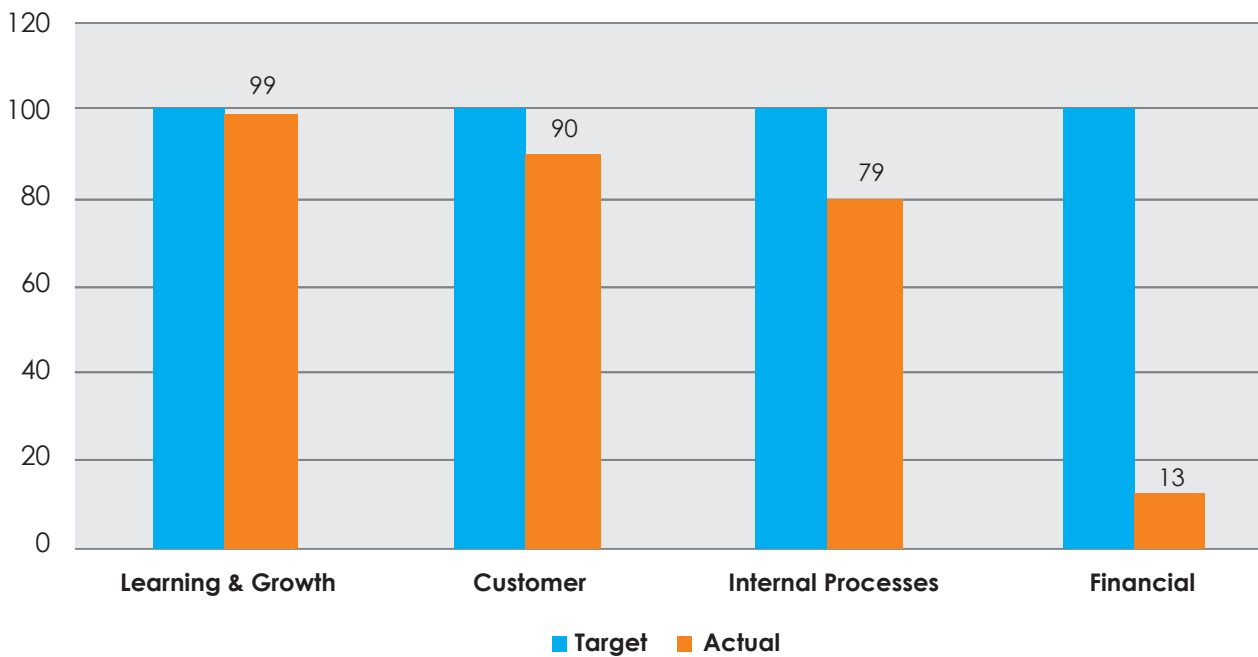
- To offer an employee value propositions commensurate with the international University status.

KEY PERFORMANCE INDICATORS PERFORMANCE:

The 2021/22 financial year was the second year of the implementation of the revised BIUST Strategic Plan. For the period under review, twenty-four (24) Key Performance Indicators (KPIs) were assessed against stipulated targets. Resultantly, performance for the period under review stands at 75 percent against the performance bar of the range of 80 -100 percent (on target performance as per the performance key). From the total assessed KPIs (24), fifteen (15) posted 'on-target' performance, with five (5) recording 'on-track performance', while the remaining four (4) posted 'off-target' performance. Notably, the Financial Perspective, which is predominantly on income generation through research projects, is the one that carries the most 'off-track performance'.

Perspective Performance

TABLE 1. PERSPECTIVE ANALYSIS FOR THE 2021/22



Perspective performance analysis reveals that three (3) perspectives recorded 'on-target' and 'on track' performance respectively, while only one (1) registered 'off-target' performance. Comparatively, the highest performing perspective is the Learning & Growth, followed by the Customer perspective, and the Internal Processes and Financial perspectives respectively. On a different note, in terms of KPI load, the leading perspective is the Internal Processes perspective (10), followed by Customer (9), and then the Financial (3) and Learning & Growth (1) perspectives respectively.

In terms of continual improvement, it is important to note that the KPIs with 'off-target performance' require interventions for purposes of both business and performance improvement.

Customer Perspective:

The Customer perspective measures consider the organisation's performance through the eyes of its customers, so that the organisation retains a careful focus on customer needs and satisfaction. In the University's Strategy, there are three objectives that drive the stakeholder perspective being to:

- i) ensure quality, academic excellence and the maintenance of high academic standards
- ii) provide responsive (differentiated) programmes that will create excellent career opportunities nationally and globally
- iii) deliver quality research with tangible applications & products that can support the needs of industry and society

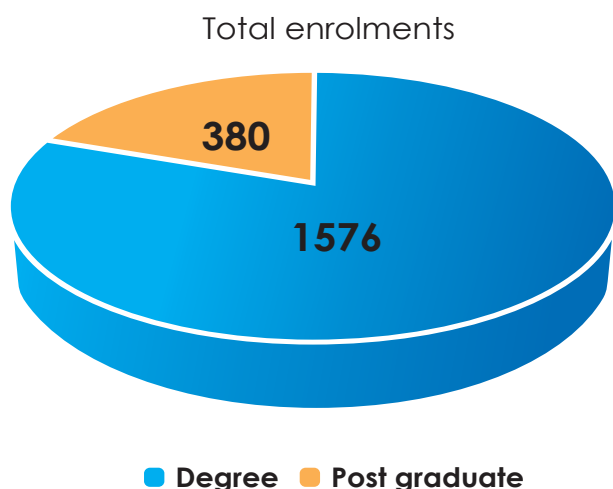
To ensure quality, academic excellence and the maintenance of high academic standards.

The above objective is also measured through the graduation levels per degree programme. During the year under review, the University set itself a target of graduation levels of 83 percent for degree, 65 percent for master's and 40 percent for Doctorate programmes. The performance achieved for each level of graduation was 66 percent, 17 percent and 24 percent respectively. As means of enhancing output of the post graduate students, the University will expedite the comprehensive operationalisation of the School of Graduate Studies.

To provide responsive (differentiated) programmes that will create excellent career opportunities nationally and globally

The measurement focus of the objective is centered on enrollment rates and employability rate.

Figure 1. Total Enrolments



During the 2021/22 academic year, the University enrolled 1956 students. The 1956 enrolment represents a 91 percent performance against the University's target of 2140. The University's student retention strategy played an instrumental part in the attainment of this performance level. Categorially, the University managed to attract and retain 1576 under graduates students and 380 postgraduate students. Of these, 156 were international students.

In terms of Student Employability rate, 48 percent of the students were employed during the 2021/22 fiscal year against a target of 68 percent.

To deliver quality research with tangible applications and products that can support the needs of industry and society.

The measurement focus is predicated on the number of research projects converted into innovative products and services and the field weighted research ratio.

For the reporting period, the Scholarly output is at 1,179 total publications, with field weighted citation impact at 0.99 against the target of 0.97.

In terms of research-oriented conversions, the University managed to convert 3 research projects to products and services against the target of 3.

Moreover, the following eleven innovative products have been earmarked for commercialisation:

- i) Litter Pyrolysis Proof of Concept Plant
- ii) Slag Fly-Ash Bricks Project
- iii) Off-Grid Secured Smart House
- iv) Liquid and Bar Soap Project
- v) Integrated Gasification Combined Cycle (IGCC) Power Plant
- vi) SMART Energy Meter
- vii) Sodium Hypochlorite Production
- viii) Anti-Microbial Toilet Seat Mat
- ix) Automobile Innovative Project
- x) BOTSAT – 1.
- xi) BDF-Military Drones project

Financial Perspective:

In the University's Strategy there are two objectives that drive the Financial Perspective:

- i) To engage in commercial Science and Technology researched projects in partnership with industry and entrepreneurs
- ii) To develop a long-term sustainable business model for BIUST

a. To engage in Commercial Science and Technology researched projects in partnership with industry and entrepreneurs

The University received a total of BWP 11,705,129.15 External Research Income for the reporting period. This represents 2.66 percent against the set target of 7 percent.

b. To develop a long-term sustainable business model for BIUST

The University managed to raise 0.14 percent of revenue from existing and commercial projects against a target of 2 percent. The University will be operationalising its enterprise strategy to drive commercial sustainability.

Internal Process Perspective:

The University delivers its customer value proposition through the following objectives;

- i) To improve the reputation and brand value.
- ii) To develop systems and processes for the governance and efficiency of operations
- iii) To manage the financial resources prudently and effectively

a. To improve the reputation and brand value

The Brand Awareness Survey was carried out to assess the level of awareness in the local and international markets. Results of the Brand Awareness Survey at both national and international were 71 percent and 77 percent respectively. Media sentiment was rated at 91 percent positive and 9 percent negative.

b. To develop systems and processes for the governance and efficiency of operations

For the period under review, the University focused on fulfilling regulatory requirements for HRDC and BAOA, as well as implementation of audit recommendations. This strategic focus was intended to ensure that there is sustained effective governance and efficiency of operations.

To manage the financial resources prudently and effectively

During the year under review, the University had income amounting to P641,629,000.00 and this income included Government subvention and tuition fee. During the year, the total expenditure of the University amounted to P634,724,000.00 and thus expenditure of 99 percent of the distributed budget. The performance of 99 percent presents a superior performance against the target of 95 percent.

Learning and Growth Perspective:

The strategic focus for the year was largely directed towards the provision of a targeted employee value proposition. This was intended to raise the level of commitment and engagement on the institution's human resource. The University posted exceptional performance, recording a retention of 99 percent against the target of 95 percent.







FINANCIAL STATEMENTS

Botswana International University of Science and Technology

Annual Financial Statements for year ended 31 March 2022

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
GENERAL INFORMATION
for the year ended 31 March 2022

(Established in terms of the Botswana International University of Science and Technology Act 57:05)

NATURE OF BUSINESS

The objects of the University are to:

- a) provide higher education and training;
- b) undertake, promote and facilitate research and scholarly investigations;
- c) advance and disseminate knowledge and skills through teaching, learning and practical skills training;
- d) contribute to national and international scientific and technological development;
- e) support and contribute to the realizations of national economic and social development;
- f) contribute to the cultural and social life of the community; and
- g) advance the intellectual and human resources capacity of the international community

EXECUTIVE MANAGEMENT

Professor O. Totolo Vice-Chancellor

Professor E. Shemang Acting Deputy Vice Chancellor (Academic Affairs)

Professor A. Ogwu Deputy Vice-Chancellor (Research and Innovation)

Mr. D Katzke Deputy Vice Chancellor (Finance and Administration) - Retired

Mr. D. Tele Acting Deputy Vice Chancellor (Finance and Administration)

MEMBERS OF THE COUNCIL

Name Designation

Mr. B. Bonyongo	Chairperson
Dr S G. Maphanyane	Vice Chairperson
Professor O. Totolo	Vice Chancellor
Professor E. Shemang	Acting Deputy Vice Chancellor (Academic Affairs)
Professor A. Ogwu	Deputy Vice-Chancellor (Research and Innovation)
Mr. D Katzke	Deputy Vice Chancellor (Finance and Administration) - Retired
Mr. D. Tele	Acting Deputy Vice Chancellor (Finance and Administration)
Prof. E Lungu	Member (up to 07/10/2021)
Professor E. Atekwana	Member
Ms. D. Setshogo	Member
Professor J. Chuma	Member
Professor R. Suglo	Member (from October 2021)
Professor W. Masamba	Member
Kgosi M. Maforaga	Member
Mr T. Otukile	Member
Dr. M. Galani	Member
Mr L. Jibajiba	Member
Mr. O. Morewame	Member
Mr. L. Mojaphoko	Member
Mr. K. Sithole	Member
Mr. A. Iyer	Member
Mr. M. Molome	Member

REGISTERED OFFICE

Plot 10071

Palapye

BANKERS

Bank Gaborone Limited, Banc ABC, First National Bank of Botswana Limited, Stanbic Bank Botswana, Standard Chartered Bank of Botswana.

INDEPENDENT AUDITORS

Grant Thornton – Certified Auditors

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
Table of Contents
for the year ended 31 March 2022

The following statements are presented in compliance with the requirements of the Botswana International University of Science and Technology Act 57:05.

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Independent auditor's report	29 - 31
Statement of comprehensive income	32
Statement of financial position	33
Statement of changes in accumulated funds	34
Statement of cash flows	35
Accounting Policies	36 -65
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**BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
STATEMENT OF RESPONSIBILITY BY THE GOVERNING COUNCIL
for the year ended 31 March 2022**

The members of Botswana International University of Science and Technology Council are responsible for the maintenance of adequate accounting records and the preparation, integrity and fair presentation of the financial statements. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the University as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the BIUST Act and International Financial Reporting Standards and in the manner required by Section 19 of the Botswana International University of Science and Technology Act, 57:05. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standards and in the manner required by Section 19 of the Botswana International University of Science and Technology Act, 57:05 are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The members of the University Council acknowledge that they are ultimately responsible for the system of internal financial control established by the University and places considerable importance on maintaining a strong control environment. To enable the members of the University Council to meet these responsibilities, the board sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the University and all employees are required to maintain the highest ethical standards in ensuring the University's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the University is on identifying, assessing, managing and monitoring all known forms of risk across the University. While operating risk cannot be fully eliminated, the University endeavors to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

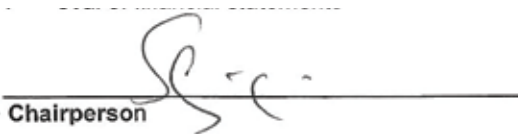
The members of the University Council are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The members of the University Council have reviewed the University's cash flow forecast for the year to March 31, 2022 and, in light of this review and the current financial position, is satisfied that the University has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the University's annual financial statements. The annual financial statements have been examined by the University's external auditors and their report is presented on page 29

The annual financial statements set out on pages 25 to 70, which have been prepared on the going concern basis, were approved by the council on 29th August, 2022 and were signed on their behalf by:

Approval of financial statements


Chairperson


Vice Chancellor



Independent Auditor's Report

To the Members of the Council of Botswana International University of Science and Technology

Opinion

We have audited the annual financial statements of the Botswana International University of Science and Technology ("The University") set out on pages 7 to 39, which comprise the statement of financial position as at 31 March 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, annual financial Statements give a true and fair view of, the financial position of the Botswana International University of Science and Technology as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Botswana International University of Science and Technology Act (Cap 57:05).

Material uncertainty related to going concern

We draw attention to note 28 in the annual financial statements, which indicates that the University incurred a net loss of P54 221 087 during the year ended 31 March 2022 and, accumulated losses of P191 436 579 and, as of that date, the University's current liabilities exceeded its current assets by P138 605 725. As stated in note 28, these events or conditions, along with other matters as set forth in note 28, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate annual financial Statements of the current period. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, and the report below is not intended to constitute separate opinions on those key audit matters.

Key audit matter	How the matter was addressed in our audit
<p>Existence and capitalisation of constructed assets under property plant and equipment</p> <p>The university accounts for the Property, plant and equipment at cost less accumulated depreciation and any accumulated impairment losses. The carrying amount of Property, plant, and equipment as of 31 March 2022 is P 1,501,693,300.</p>	<p>We reviewed the Property, plant and equipment schedule for the current year and ascertained that these were recorded and classified and measured in accordance with International Financial Reporting Standards.</p>

Botswana Accountancy Oversight Authority registration number: FAP 005 2016 (Audit Firm of Public Interest Entity)
Botswana Institute of Chartered Accountants membership number: MeFBW11013 (Audit and Non-Audit)

Partners

Kalyanaraman Vijay (Managing), Aswin Vaidyanathan*, Madhavan Venkatachary*, Anthony Quashie, Sunny K Mulakulam*, Aparna Vijay* (*Indian)

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<p>The carrying value of capital work in progress as of 31 March 2022 is P 35,117,378. Due to the high value of the work in progress we considered it to be a matter of significance to the current period of audit.</p>	<p>We performed physical verification of the Property, plant, and equipment with tests for impairment on the assets. We recalculation of the depreciation expense for the year. We tested for accuracy and authenticity on additions that were made during the year on sample basis.</p> <p>We performed verification of the additions to capital work in progress and confirmed the authenticity.</p>
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Other matter

The annual financial statements of the Council for the year ended 31 March 2021, were audited by another auditor who expressed an unmodified opinion on those statements on 24 September 2021.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Botswana International University of Science and Technology Annual Financial Statements for the year ended 31 March 2022", which includes the Council's Responsibility and Approval of the Annual Financial Statements, which we obtained prior to the date of this report and the annual report which is expected to be made available to us after that date. Other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information we have obtained prior to the date of this auditors report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Members of the Council for the Annual Financial Statements

The Members of the Council are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Botswana International University of Science and Technology Act (Cap 74:06), and for such internal control as the Members of the Council determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial Statements, the Members of the Council are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Members of the Council either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's responsibilities for the audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the members of the Council use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the activities within the Council to express an opinion on the annual financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the members of the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the members of the Council with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the members of the Council, we determine those matters that were of most significance in the audit of the annual financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with Section 19. (1) of the Botswana International University of Science and Technology Act (CAP 57:05).

Grant Thornton

Grant Thornton
Firm of Certified Auditors
Practicing Member: Aswin Vaidyanathan CAP 0016 2022

29 August 2022

Gaborone

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
STATEMENT OF COMPREHENSIVE INCOME
 for the year ended 31 March 2022

	Note	2022 P	2021
Government Subvention	5	437,615,899	482,066,810
Tuition and other student fee revenue	6	62,933,550	59,470,708
Other Income	7	8,236,717	7,553,472
Amortisation of Capital Grants	17	61,272,864	61,617,772
Designated Amortised Capital fund	24	14,823,008	12,013,966
Gross Operating Income		584,882,038	622,722,728
Staff Costs	8	(421,801,941)	(415,896,782)
Other Operating Expenses	9	(202,514,199)	(209,437,623)
Expenditure on designated projects	24	(14,823,008)	(12,013,966)
		(639,139,148)	(637,348,371)
Deficit/(Surplus) for the Year from Operating Activities		(54,257,110)	(14,625,642)
Investment Income		38,890	50,672
Finance Costs (lease interest)	13	(2,867)	(6,758)
Surplus (Deficit) for the Year		(54,221,087)	(14,581,729)
Total Comprehensive Income/(Loss)		(54,221,087)	(14,581,729)

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
STATEMENT OF FINANCIAL POSITION
 for the year ended 31 March 2022

	Note	2022 P	2021
ASSETS			
Non-current Assets			
Intangible asset	11	-	-
Property, Plant and Equipment	12	1,501,693,300	1,534,032,966
Capital Work In Progress	12	35,117,378	30,275,789
Right of Use Asset	13	535,299	127,862
		1,537,345,977	1,564,436,617
Current Assets			
Inventory	14	1,997,117	1,204,877
Other Receivables	15	35,009,166	36,555,396
Cash and Cash Equivalents	16	34,101,186	47,027,341
		71,107,470	84,787,614
Total Assets		1,608,453,445	1,649,224,231
FUNDS AND LIABILITIES			
Capital Grant and Reserves			
Capital Grants	17	1,537,279,673	1,564,308,750
Development Grant	18	53,494,018	2,582,123
Accumulated Funds		(191,436,579)	(137,215,495)
		1,399,337,111	1,429,675,374
Current Liabilities			
Lease Liabilities	13	533,054	134,569
Retention Payable	19	-	11,839,580
Trade and Other Payables	20	158,307,056	157,614,942
Designated Funds	24	50,276,225	49,959,766
		209,116,335	219,548,857
Total Funds and Liabilities		1,608,453,445	1,649,224,231

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 March 2022

	Development Grant P	Capital Grants P	Accumulated Fund P	Total P
Balance at 1 April 2020	61,815,606	1,542,110,799	(122,633,767)	1,481,292,637
Grants received during the year -				
- Development Projects				
- designated funds				
Grants Utilised (land & building) additions	8,670,763			8,670,763
Additions (assets) recurrent budget		14,221,020		14,221,020
Transfers Additions (assets)				
- development Fund	(67,904,246)	67,904,246		
Additions (assets) designated funds		1,769,902		1,769,902
Disposal of assets		(79,445)		(79,445)
(Deficit)/Surplus for the year			(14,581,729)	(14,581,729)
Amortisation of capital grant		(61,617,772)		(61,617,772)
Balance at 31 March 2021	2,582,123	1,564,308,750	(137,215,496)	1,429,675,376
Balance at 1 April 2021	2,582,123	1,564,308,750	(137,215,496)	1,429,675,377
Grants received during the year				
- development Projects	81,121,820			81,121,820
Grants Utilised (land & building) additions				
Additions (assets) recurrent budget		11,927,001		11,927,001
Transfers additions (assets) - development Fund	(30,209,926)	30,209,926		
Additions (assets) designated funds		1,620,253		1,620,253
Assets disposed off		(680,064)		(680,064)
Assets Written off		(8,833,330)		(8,833,330)
(Deficit)/Surplus for the year			(54,221,087)	(54,221,087)
Amortisation of capital grant		(61,272,864)		(61,272,864)
Balance at 31 March 2022	54,494,018	1,537,279,673	(191,436,579)	1,399,337,111

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
STATEMENT OF CASH FLOWS
 for the year ended 31 March 2022

NOTE	2022 P	2021 P
Cash flows from operating activities:		
21	(65,445,661)	4,562,744
	(64,848,800)	4,562,744
Cash flows from (to) investing activities:		
10	38,890	50,672
11	-	-
12	(34,326,988)	(75,224,410)
8	826,563	27,817
	(33,461,535)	(75,145,921)
Cash flows from financing activities:		
13	(171,168)	(181,154)
25	86,152,208	28,042,399
	85,981,040	27,861,245
Net change in cash and cash equivalents		
	(12,926,155)	(42,721,932)
	47,027,341	89,749,273
16	34,101,186	47,027,341

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
Accounting Policies
for the year ended 31 March 2022

1. General Information

Botswana International University of Science and Technology ("BIUST") is funded through the Tertiary Education Development Fund, a Special Fund set up by Government in terms of the Finance and Audit Act (CAP:54:01) through Statutory Instrument No 57 of 2004. The purpose of the fund as described in the Act is to meet costs of the construction of a second University in Botswana. The purpose of constructing the University is to provide higher education and training to Botswana citizens and international students. The address of its registered office is Plot 10071, Palapye, Botswana

2. Principal Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation

The annual financial statements of Botswana International University of Science and Technology ("BIUST") have been prepared in accordance with International Financial Reporting Standards. The financial statements have been prepared under the historical cost convention as modified by the revaluation of financial assets and financial liabilities.

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the current events and actions, actual results may ultimately differ from those estimates. It also requires management to exercise its judgment in the process of applying the BIUST's accounting policies.

Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

2.1.1 New Standards and Interpretations

Standards and Interpretations effective and adopted by the University

The University considers for adoption and disclosure standards and interpretation which are relevant to its operations. There were no new standards and interpretations which were not yet effective but relevant to the University. There were also no new standards and interpretations which were adopted by the University in the year under review.

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
Accounting Policies (continued)
for the year ended 31 March 2022

New Standards and Interpretations

2.1.1 Standards and Interpretations effective and adopted by the University

2.1.1.1 IFRS 16 Leases

IFRS 16 Leases is a new standard which replaces IAS 17 Leases, and introduces a single accounting model. The University adopted IFRS 16 for the first time in 2020.

University as lessee:

IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all assets with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right of use asset representing its rights to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

The right-of-use asset includes, where appropriate, the initial amount of the lease liability; lease payments made prior to commencement of the lease less incentives received; initial direct costs of the lessee; and an estimate for any provision for dismantling, restoration and removal related to the underlying asset.

The lease liability takes into consideration, where appropriate, fixed and variable lease payments; residual value guarantees to be made by the lessee; exercise price of purchase options; and payments of penalties for terminating the lease.

The right-of-use asset is subsequently measured on the cost model at cost less accumulated depreciation and impairment and adjusted for any re-measurement of the lease liability. However, right-of-use assets are measured at fair value when they meet the definition of investment property and all other investment property is accounted for on the fair value model. If a right-of-use asset relates to a class of property, plant and equipment which is measured on the revaluation model, then that right-of-use asset may be measured on the revaluation model.

The lease liability is subsequently increased by interest, reduced by lease payments and re-measured for reassessments or modifications.

Re-measurements of lease liabilities are affected against right-of-use assets, unless the assets have been reduced to nil, in which case further adjustments are recognised in profit or loss.

The lease liability is re-measured by discounting revised payments at a revised rate when there is a change in the lease term or a change in the assessment of an option to purchase the underlying asset.

The lease liability is re-measured by discounting revised lease payments at the original discount rate when there is a change in the amounts expected to be paid in a residual value guarantee or when there is a change in future payments because of a change in index or rate used to determine those payments.

Certain lease modifications are accounted for as separate leases. When lease modifications which decrease the scope of the lease are not required to be accounted for as separate leases, then the lessee re-measures the lease liability by decreasing the carrying amount of the right of lease asset to reflect the full or partial termination of the lease. Any gain or loss relating to the full or partial termination of the lease is recognised in profit or loss. For all other lease modifications which are not required to be accounted for as separate leases, the lessee re-measures the lease liability by making a corresponding adjustment to the right-of-use asset.

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
Accounting Policies (continued)
for the year ended 31 March 2022

2.2 Cash and Cash Equivalents

The University adopted the simplified approach for impairment for cash and cash equivalents because these financial assets have a life span of no more than 12 months. Historically, default rates on deposits held with banks is zero. Looking forward, a review of the macro-economic indicators does not show any possible reasons for default by banks and deposits and therefore no provision has being raised for IFRS 9 review in the current year.

2.3 Trade and other receivables :

Trade and other receivables have being segmented by customer type of similar credit risks. The expected credit loss (ECL) per customer type is then determined and applied to the receivable balances for impairment allowance measurement. The different applied loss at default rates indicate the probabilities of default on the basis of historical credit risk information across all customer profiles. Macro-economic factors such as GDP are not expected to have any impact on default rates and therefore have not being applied in the calculation of expected credit loss but purely historical credit risk information. The table below shows the analysis of the impairment loss allowance for the current year.

Expected credit loss summary

Customer/Debtor Type	applied loss given at default rate (%)	Expected Credit loss Amount (P)
Government - DTEF	0%	0
Government - other	50%	50,000
Parastatal	50%	86,920
Coporate	100%	349,200
Private Students	90%	2,304,843
Total		2,790,963

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
Accounting Policies (continued)
for the year ended 31 March 2022

2.4 IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 Construction contracts; IAS 18 Revenue; IFRIC 13 Customer Loyalty Programmes; IFRIC 15 Agreements for the construction of Real Estate; IFRIC 18 Transfers of Assets from Customers and SIC 31 Revenue - Barter Transactions Involving Advertising Services.

The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Identify the contract(s) with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract

Recognise revenue when (or as) the entity satisfies a performance obligation. IFRS 15 also includes extensive new disclosure requirements.

The effective date of the standard is for years beginning on or after January 1, 2018.

Those were adopted by the University for the first time in the 2019 annual financial statements. The application of IFRS 15 had no impact on the opening balance of retained earnings of the University as there is no change in pattern for educational services that are rendered by the University.

Apart from providing more extensive disclosures on the University's revenue transactions, the application of IFRS 15 had no significant impact on the financial position and/or financial performance of the University.

2.5 Property, plant and equipment

Property, plant and equipment are included at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to BIUST and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Donated assets are initially recorded at fair value at the date of donation.

Land is not depreciated as it is deemed to have an indefinite life.

Depreciation is calculated using the straight-line method to allocate the cost of each asset to their residual values over their estimated useful lives as follows:

Buildings and Roads	30 years
Computer Equipment	3 years
Motor vehicles	5 years
Office Equipment and Audio Visual	7 years
Laboratory Equipment	7 years
Furniture and Domestic Fittings	7 years
Library Books	1-2 years
Land is not depreciated	

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
Accounting Policies (continued)
for the year ended 31 March 2022

2.5.1 Intangible Assets

Intangible assets are capitalised on the basis of the costs incurred to acquire them and bring them to use. These costs are amortised over the intangibles useful life.

Costs directly associated with the development of an identifiable intangible asset to be fully controlled by the University which will probably generate economic benefits exceeding costs beyond one year are recognised as intangible assets, otherwise they are recognised as an expense as incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

2.5.2 Capital Work-in-Progress

Properties in the course of construction for administrative purpose are carried at cost less any identified impairment loss. When the properties are ready for use and completion certificate has been issued, they are transferred to property, plant and equipment. Depreciation is not charged when properties are still under construction. Liquidated and Ascertained damages (LAD's) related to delayed projects are part of the capital cost of the projects and the LAD's credited to the relevant designated fund.

2.6 Impairment of Non-financial Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.7 Financial Assets and Liabilities

I) Amortised cost and effective interest rate

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest rate method and any difference between that initial amount and the maturity amount and , for financial assets, adjusted for any loss allowance.

When the University revises the estimates of future cash flows, the carrying amount of the respective financial asset or financial liability is adjusted to reflect the new estimate discounted value using the original effective interest rate. Any changes are recognised in the profit and loss.

II) Interest Income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets and recognised on the accrual basis.

III) Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Those are measured at fair value plus/minus transaction costs that are incremental and directly attributable to the acquisition of issue of the financial asset or financial liability such as fees and commissions.

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
Accounting Policies (continued)
for the year ended 31 March 2022

2.8 Subvention and Other Funds

2.8.1.1 Government Subvention:

Government subvention is recognised as income over the period necessary to match it with the related costs that it is intended to compensate. When subvention relates to an expense item, it is recognised on a systematic basis over the period that the related cost which it is intended to compensate is expensed. Government subvention is therefore recognised in the statement of comprehensive income.

2.8.1.2 Designated Funds

Designated Funds are funds received for the various research and other projects funded local and international at the University. The projects normally run for periods of more than 12 months. The Funds received are therefore credited to the designated fund in the statement of financial position. At the end of University reporting period, the fund is amortised with total funds spent (expenses) in the reporting period.

The fund amortised expenses incurred in the designated project are credited to the statement of financial position whilst those amortised expenses incurred in the purchase of assets are credited to the capital grant.

The respective designated projects are managed according to the terms of the respective project memorandum of agreements.

2.8.1.2 Development Fund

Development funds are funds received in advance by the University for undertaking capital development projects. The capital development projects are funded by the Government of Botswana and are normally approved for a National Development Plan (NDP) period (currently NDP11). The development projects are therefore initially recognised as Capital work in progress.

Funds received are therefore initially credited to the development fund in the statement of financial position. At the end each reporting period, the fund is amortised and the expenses incurred in the financial period are credited to the University capital grant account in the statement of financial position.

2.8.1.3 Capital Grants

Capital grants comprise grants received from the Government of Botswana to be utilised towards capital expenditure. Funds received are credited to capital funds and the related assets are capitalised. All other capital expenditure is financed through the annual subvention from the Government of Botswana. Assets acquired from subvention are capitalized and an equivalent amount is transferred to capital grants. An amount equal to the depreciation charge of the fixed assets funded by the capital grants is recognised as income (amortisation) in the statement of comprehensive income. Subsequent movement of fixed assets in terms of sale and impairment are treated accordingly in the capital grants. Government grants are recognised where there is reasonable assurance that the grant will be received and that all the related grant conditions will be complied with.

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
Accounting Policies (continued)
for the year ended 31 March 2022

2.8.1 Inventories

Inventories comprise mainly of consumer goods and stationery. These are shown at the lower of cost on the basis of average cost and net realisable value. Net realisable value is the replacement cost of the inventory. Provisions are made for obsolete, slow moving and damaged inventories.

2.8.2 Prepayments

Prepaid expenses are recognised on time proportion basis. Payments made during the current year for expenses in respect of the succeeding year are deferred as prepaid expenses and are carried on the statement of financial position.

2.8.3 Cash and Cash Equivalents

Cash and cash equivalents are subsequently measured at amortised cost using the effective interest method. Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

2.8.4

2.8.4.1 Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operation from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the operation if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.8.4.2 Deferred Income

The University bill and/or receive and recognise tuition income at the beginning of each semester. The University earns this income when teaching and assessment is provided to students. At end of each reporting period, the University therefore recognises a liability for prepaid tuition, for which teaching and assessment has not being provided.

2.8.5 Provisions

Provisions are recognised when BIUST has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Employee entitlements to annual leave and contractual gratuities are recognised when they accrue to employees as a result of services rendered by employees up to the reporting period. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of expenditure required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
Accounting Policies (continued)
for the year ended 31 March 2022

2.8.6 Income Taxes

BIUST is exempt from income tax under the Income Tax Act in Botswana.

2.8.7 Revenue Recognition

2.8.7.1 Government Subvention

Government subventions are recognised at their fair value where there is a reasonable assurance that the subventions will be received and BIUST will comply with all attached conditions.

Subventions relating to costs are deferred and recognised in the statement of comprehensive income over the period necessary to match them with the costs they are intended to compensate.

2.8.7.2 Tuition Services

The University renders educational tuition services for both undergraduate and post graduate modules. The modules are offered on both short courses and semester basis. These modules offerings are not aligned to the financial years and therefore resulting in contract liability (deferred revenue) and/or contract assets (unbilled revenue).

The revenue is measured based on the consideration to which BIUST expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

The revenue recognition follows a five step model as follows:

1. identify the contract(s) with a customer
2. identify the performance obligations in the contract
3. determine the transaction price
4. allocate the transaction price to the performance obligations in the contract
5. recognise revenue when the performance obligation is satisfied

Tuition, residence and book fees are recognised as revenue over the period of instruction, regardless of the timing of a formal bill being issued. Unearned tuition fees are recognised as a current liability. Deposits provided by prospective students are treated as a separate current liability until the amount is earned, at which point in time it is also recognised over the period of instruction. To the extent that revenue is not recoverable, provision is made for the estimated unrealisable amount.

Analysis of Revenue 2021

	2022 P'000	2021 P'000
Tuition	49,729	46,982
Other Student Fees	13,205	12,488
Total	62,934	59,470

Nature of contract balances

Nature of performance obligation

	2022 P'000	2021 P'000
Contract Liability	20,999	24,523
		Satisfied over time (deferred income)

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
Accounting Policies (continued)
for the year ended 31 March 2022

2.8.7.3 Interest Income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets and recognised on an accrual basis.

2.9 Financial Assets

2.9.1 Classification

Since April 2019, the University has applied IFRS 9 and classifies its financial assets at amortised cost. The classification requirements for debt measured at amortised costs are described below:

(a) Debt Instruments

The debt instruments are those instruments that meet the definition of a financial liability from the issuers perspective. Those includes loans, government and corporate bonds and other trade receivables purchased without recourse

The classification and subsequent measurement of debt instruments depend on both the University's business model for managing these assets and the cashflow characteristics of these assets.

Classification of debt instruments

Amortised cost:

Assets that are held for collection of contractual cashflows where those cashflows represent solely payments of principal and interest and that are not designated at fair value through the profit and loss, are measured at amortised cost. The carrying amounts of these assets is adjusted by an expected credit loss allowance.

Business Model:

The business model reflects how the University manages the assets in order to generate cash flows. That is, whether the University's objective is solely to collect contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable, then the financial assets are classified as part of "other" business model and measured at fair value through the profit and loss.

In considering the business model, the University considers past experience on how the cashflows for the group of assets were collected, and how the assets performance is evaluated and reported to key management personnel and how the risks are assessed and managed and how managers are compensated

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
ANNUAL FINANCIAL STATEMENTS
Accounting Policies (continued)
for the year ended 31 March 2022

2.9.2 impairment of Financial Assets

(a) Assets Carried at Amortised Cost

The University recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost. Those include lease receivables, trade receivables and contract assets. The expected credit loss is determined at each reporting date and reflect changes in credit risk since initial recognition of the different financial instruments.

The expected credit losses on these financial assets are estimated using a simplified expected credit loss (ECL) model based on a provision matrix. The ECL takes account of the following:

- University's historical credit loss experience
- adjusted factors specific to the debtor
- general economic conditions
- an assessment of both the current as well as the forecast direction of conditions at the reporting date

The ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial asset

2.9.3 Derecognition of financial assets:

The University derecognises a financial asset only when contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all risks and rewards of ownership of the financial asset to another person or entity. On derecognition of a financial asset measured at amortised cost, the difference between the assets carrying amount and the sum of the consideration received and receivable is recognised in profit and loss.

3.1 Financial Liabilities:

All financial assets are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial liability, or a shorter period, to the amortised cost of a financial liability.

Derecognition of Financial Liabilities:

The university derecognises financial liabilities when, and only when the entire obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the profit and loss.

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
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3.2 Related Parties

Related parties comprise the Government, members of the University Council and Senior Management. Transactions with related parties were in the normal course of operations.

3.3 Employee Benefits

3.3.1 Pension Obligations

The University operates a Defined Contribution Pension scheme, whose assets are held in a separately trustee administered funds.

The University contributes 17% and each member contributes 5% with an option to make additional contribution to a maximum of 10% should they wish to.

The University's obligations to the fund are fulfilled by the monthly contributions made to the fund. The period contributions costs made are accounted for in the statement of comprehensive income under staff costs.

3.3.2 Gratuities and severance plans

All staff employed on defined term contracts earn gratuity. The University pays gratuity to these employees on retirement, retrenchment or death. To determine the probability of incurring this liability, management make assumptions in respect of the number of staff that will reach the end of their contracts.

3.3.3 Severance pay

Severance pay is not considered to be a retirement benefit plan as the benefits are payable at the option of the employee. The expected gratuity and severance benefit liability is provided in full by way of a provision.

3.4 Provisions

Provisions are recognised when the University has a present legal and constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reasonable estimate of the amount can be made.

Employee entitlements to annual leave and contractual gratuities are recognised when they accrue to employees as a result of services rendered by employees as at the reporting date.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using the rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY
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3.5 Foreign Currency Translation

3.5.1 Functional and Presentation Currency

Items included in the financial statements of BIUST are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Botswana Pula, which is BIUST's functional and presentation currency.

3.5.2 Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

3.6 Capital Management

BIUST's objectives when managing capital are to safeguard the BIUST's ability to continue as a going concern and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. BIUST is funded by Government of Botswana.

BIUST does not monitor capital on the basis of the gearing ratio.

Fair Value Estimation of Financial Instruments

IFRS 7 (amendment) for financial instruments that are measured in the statement of financial position at fair value requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

There are no financial assets classified as fair value through profit or loss at the reporting date.

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Financial Risk Management

3.7.1 Financial Risk Factors

BIUST's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, and price risk), credit risk and liquidity risk. BIUST's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on BIUST's financial performance. Risk management is carried out under policies approved by the management.

3.7.2 Market Risks

Foreign Currency Risks

The University is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the American Dollar(USD), Great British Pound(GBP), Euro and South African Rand(ZAR). Foreign currency risk is managed by the finance function. Its objective is to minimise losses arising from BIUST's exposure to various currencies by attempting to match foreign currency denominated current liabilities against current assets of similar currencies to the extent possible.

In the normal course of operation, BIUST enters into transactions denominated in foreign currencies and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities. There was no significant impact on the deficit for the year due to fluctuation in foreign currency exchange rate with respect of Botswana Pula.

The following assets are denominated in foreign currencies and therefore subject to currency risk:
 Cash and Cash Equivalents

	2022	2021
USD	5,669	5,204
ZAR	4,987	4,800

The following table demonstrates the sensitivity to a reasonable possible change in Botswana Pula Exchange rate against the major trading currencies of the University, with all other variables held constant on the University deficit (due to changes in the fair value of monetary assets and liabilities). In arriving at the exchange rate sensitivities in the next twelve months, management has considered the average movements in the exchange rate over the previous year.

Cash and Cash Equivalents	2022	2021
Change in USD rate		
+15%	(850)	(781)
-15%	850	781
Change in ZAR rate		
+15%	(748)	(720)
-15%	748	(720)

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3.7.3 Price Risk

BIUST is not exposed to other price risks such as equity price risk, commodity price risk, prepayment risk, and residual value risk.

3.7.4 Credit Risk

Credit risk refers to the risk that a counterparty will default on its obligations resulting in the financial loss to the University. As at 31 March 2021, the University's maximum exposure to credit risk which will cause a financial loss due to a counterparty's failure to discharge an obligation is stated in the statement of financial position.

To minimise credit risk, the University has adopted a policy of dealing with credit worthy counterparties and entering into simple binding contracts as a means of mitigating the risk of financial loss from defaults. Credit checks, credit approvals, credit history analysis are some of the measures put in place to ensure the University manages this risk. Over due balances are aggressively followed and flags placed on defaulters.

The University does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets. The University's financial assets which are subject to credit risks consists of trade and other receivables and cash and cash equivalents.

The University applies the simplified approach to providing for expected credit losses prescribed by IFRS 9. These permits the use of the lifetime expected loss provision for all short term receivables . To measure the expected credit losses, the short term receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance as at 31 March 2021 is determined as follows:

Expected Credit loss Rates as at 31 March 2022

Debtor type	30 Days	60 Days	90 Days	120 Days	150 days	180 days	+180 days
Government - DTEF	0%	0%	50%	0%	0%	0%	100%
Government - other	0%	0%	0%	0%	0%	50%	100%
Parastatal	0%	0%	0%	5%	50%	50%	100%
Corporate	1%	2%	4%	7%	32%	100%	100%
Private Companies	0%	0%	0%	0%	5%	50%	100%
Private Students	3%	6%	9%	23%	38%	90%	100%

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Trade and other receivables : Gross carrying amounts as at 31 March 2022

Debtor type	Total	30 Days	60 Days	90 Days	120 Days	150 Days	180 Days	+180 Days
Government DTEF	20,331,650	20,331,650	0	0	0	0	0	
Government Other	100,000	0	0	0	0	0	0	100,000
Parastatal	112,500	0	0	0	0	0	0	112,500
Corporate	500,024	191,500	99,968	19,440	0	0	19,036	170,080
Private Company	451,334	140,834	0	0	0	0	0	310,500
Private Students	4,548,603	2,008,239	10,266	0	500	63,800	644,211	1,821,587
Total	26,044,112	22,672,223	110,234	19,440	500	63,800	663,247	2,514,667

Financial Assets with the maximum exposure to the credit risk at the year end were as follows

Description	2022 (P)	2021 (P)
Government DTEF	20,331,650	24,246,750
Government Other	100,000	1,276,800
Parastatal	112,500	123,000
Corporate	500,024	116,140
Private Company	451,334	50,500
Private Students	4,548,603	4,831,173
Total	26,044,112	30,644,363

Cash and Cash equivalents

Bank	2022 (P)	2021 (P)
First National Bank of Botswana Limited	13,242,607	6,315,365
First National Bank of Botswana Limited	0	1,715,032
BancABC Limited	132,109	186,980
African Alliance	2,602	0
Stanbic Bank Botswana Limited	18,258,026	38,217,336
Standard Chartered Bank Botswana Limited	2,465,842	592,628
Total cash and cash equivalents	34,101,186	47,027,341

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Refer Note 13 for disclosure on credit risk. No credit limits were exceeded during the reporting period.

3.7.5 Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Surplus cash is invested in interest bearing accounts, time deposits, and money market deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide maximum benefit to BIUST. BIUST's financial liabilities as given in the table below consist of accounts payable with a maturity period of less than 12 months from the reporting date. The analysis of financial liabilities into relevant maturity groupings are based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual un-discounted cash flows balances.

	Less than six months	Between six and twelve months	More than a year
	P	P	P
At 31 March 2022			
Trade and other payables (Note 20)	23,488,701	113,819,024	0
Retention payable (Note 19)		-	0
At 31 March 2021			
Trade and other payables (Note 20)	14,412,939	118,678,670	0
Retention payable (Note 19)		11,839,580	0

Capital Risk

The University is an institute established by an act of Parliament. The capital and recurrent needs of the University are funded by the Government through the Ministry of Education and Skills Development (MOESD) budget. At the end of each reporting period, surplus funds return to Government, whilst deficit should be funded from the following years budget.

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3.8 Critical Accounting Estimates, assumptions and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. BIUST makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within financial year are discussed below:

Impairments testing

The University tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indications exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions.

Expected credit losses (ECL)

The measurement of expected credit losses is a function of the probability of default, loss given default and the exposure at default, taking the time value of money into consideration.

The assessment of the probability of default is based on historic data adjusted by forward-looking information as described above. The exposure at default is the gross carrying amount of the receivable at the reporting date.

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Receivables are grouped in such a manner that they share similar credit risk characteristics, such as nature of the receivable, external credit ratings (if available), industry counterpart etc.

Management regularly reviews these groupings to ensure the constituents of each group continue to share similar credit risk characteristics.

An impairment gain or loss is recognised for all

receivables in the profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account. The impairment loss is included in other operating expense in profit or loss.

3.8.1 Residual Value and Useful lives of Property, Plant and Equipment

BIUST follows the guidance of IAS16 (revised) and determines the residual values and useful lives of assets at each report date. This determination requires significant judgement. In making this judgement the management evaluates amongst other factors, the purpose for which the respective asset is acquired, market conditions at the reporting date and the practice adopted by similar organisations.

Intangible Assets:

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Inventories:

Inventories comprise mainly of consumer goods and stationery. These are shown at the lower of cost on the basis of average cost and net realisable value. Net realisable value is the replacement cost of the inventory. Provisions are made for obsolete, slow moving and damaged inventories.

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4.0 Leases

The University assesses whether a contract is, or contains a lease, at the inception of the contract. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered.

To this end, control over the use of an identified asset only exists when the University has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset. In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the University is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the University recognises the lease payments as an operating expense (note 13) on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

4.1.1 Lease Liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. Lease payments included in the measurement of the lease liability comprise the following: fixed lease payments, including in-substance fixed payments, less any lease incentives; The lease liability is presented as a separate line item

on the Statement of Financial Position. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 13).

The University remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when: there has been a change to the lease term, ; there has been a change in the assessment of whether the University will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

There has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);

There has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate; a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

4.1.2 Right of Use Assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position. Lease payments included in the measurement of the lease liability comprise the following:

- the initial amount of the corresponding lease liability; any lease payments made at or before the commencement date; any initial direct costs incurred; any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the University incurs an obligation to do so, unless these costs are incurred to produce inventories; and less any lease incentives received.

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 for the year ended 31 March 2022 | **Leases Continued**

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the University expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

Depreciation starts at the commencement date of a lease. The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately. The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset. Impairment of assets

carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease. An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

IMPAIRMENT OF ASSETS

The University assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the University estimates the recoverable amount of the asset. Irrespective of whether there is any indication of impairment, the University also: tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount.

This impairment test is performed during the annual period and at the same time every period tests goodwill acquired in a business combination for impairment annually. If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss of assets

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS

5 Government Subventions

Government subventions received
Transferred to capital grants for current year

6 Tuition and other Student fee revenue

Tuition
Other Student fees

General Tuition Fees
Late Registration Fees
Application Fees
Identity Card Fees
Library Fees
Transcript fees
Student Life Fees
Student PPE
Excursion income
Student Laundry Fees
Course Material Fees
Student Resident Fees - Under graduate

7 Other Income

Rent Income
Miscellaneous Income
Tender fees

8 Staff costs

Gratuities and severance
Leave pay
Medical aid contribution
Salaries and wages
Staff training
Other staff benefits
Pension

	2022 P	2021 P
Government subventions received	440,709,570	496,287,830
Transferred to capital grants for current year	(3,093,671)	(14,221,020)
	437,615,899	482,066,810
Tuition	49,728,592	46,982,392
Other Student fees	13,204,958	12,488,316
	62,933,550	59,470,708
General Tuition Fees	49,728,592	46,982,392
Late Registration Fees	60	7,860
Application Fees	343,548	337,211
Identity Card Fees	36,820	43,910
Library Fees	1,449	504
Transcript fees	4,400	2,880
Student Life Fees	298,838	308,483
Student PPE	65,340	
Excursion income	4,399,892	-
Student Laundry Fees	36,640	44,285
Course Material Fees	-	4,214,264
Student Resident Fees - Under graduate	8,017,971	7,528,919
	62,933,550	59,470,708
Rent Income	5,506,224	5,664,086
Miscellaneous Income	2,590,715	1,805,911
Tender fees	139,778	83,475
	8,236,717	7,553,472
Gratuities and severance	47,250,346	42,967,082
Leave pay	14,892,745	22,505,225
Medical aid contribution	9,266,907	8,661,293
Salaries and wages	274,388,025	269,845,135
Staff training	4,664,218	4,912,504
Other staff benefits	53,868,992	49,924,476
Pension	17,470,708	17,081,067
	421,801,941	415,896,782

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ANNUAL FINANCIAL STATEMENTS

Accounting Policies (continued)

for the year ended 31 March 2022

NOTES TO THE ANNUAL FINANCIAL STATEMENTS CONTINUED

9 Other operating expenses

Administrative expenses	66,997,831	64,419,605
Amortisation of intangible assets	-	18,391
Depreciation	61,145,002	61,599,381
Depreciation ROU Asset	159,350	179,252
Travelling and accommodation expenses	5,152,541	3,702,538
Electronic Resources	7,496,701	8,142,320
Maintenance (Buildings, residences, vehicles, Equipment, Furniture)	16,459,813	17,155,924
Student Meals	8,190,492	12,172,483
Other expenses	51,735,651	54,061,696
	217,337,381	221,451,589

10 Finance income

Interest received - bank	38,890	50,672
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	2022 P	2021 P
Administrative expenses	66,997,831	64,419,605
Amortisation of intangible assets	-	18,391
Depreciation	61,145,002	61,599,381
Depreciation ROU Asset	159,350	179,252
Travelling and accommodation expenses	5,152,541	3,702,538
Electronic Resources	7,496,701	8,142,320
Maintenance (Buildings, residences, vehicles, Equipment, Furniture)	16,459,813	17,155,924
Student Meals	8,190,492	12,172,483
Other expenses	51,735,651	54,061,696
	217,337,381	221,451,589
	38,890	50,672

11 Intangible asset

Year ended 31 March 2022

Opening net book amount

Additions

Amortisation charge

Closing net book amount

Year ended 31 March 2021

Cost

Accumulated amortisation

Net Book Amount

Year ended 31 March 2021

Opening net book amount

Additions

Amortisation charge

Closing net book amount

Year ended 31 March 2021

Cost

Accumulated amortisation

Net Book Amount

	Computer Software P
Opening net book amount	-
Additions	-
Amortisation charge	-
Closing net book amount	-
Cost	9,638,299
Accumulated amortisation	(9,638,299)
Net Book Amount	-
Opening net book amount	18,391
Additions	-
Amortisation charge	(18,391)
Closing net book amount	-
Cost	9,638,299
Accumulated amortisation	(9,638,299)
Net Book Amount	-

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12 Property, plant and equipment

	Land & Buildings P	Work in Progress P	Motor Vehicle P	Equipment P	Furniture P	Library Books P	Total P
Year ended 31 March 2021							
Opening net book amount (1 April 2020)	1,040,098,636	294,850,318	14,249,389	187,399,143	3,431,416	2,063,506	1,542,092,408
Additions	318,006,973	67,904,247	0	13,941,322	765,610	1,283,994	83,895,173
Additions - transfer from CIP		(318,006,973)					0
Additions - transfer from CIP		(14,471,803)		14,471,803			0
Disposals				(227,864)			(227,864)
Depreciation	(9,437,515)		(2,347,598)	(48,023,334)	(839,104)	(951,830)	(61,599,381)
Depreciation on disposal				148,419			148,419
Closing net book amount (31 March 2021)	1,348,668,093	30,275,789	11,901,791	167,709,490	3,357,921	2,395,671	1,564,308,755
At 31 March 2021							
	Land & Buildings	Work in Progress	Motor Vehicle	Equipment	Furniture	Library	Books
Cost	1,396,808,497	30,275,789	28,860,114	427,815,235	7,523,027	10,618,883	1,901,901,546
Accumulated depreciation	(48,140,404)		(16,958,323)	(260,105,745)	(4,165,107)	(8,223,213)	(337,592,791)
Net book amount	1,348,668,093	30,275,789	11,901,791	167,709,490	3,357,921	2,395,671	1,564,308,756
Year ended 31 March 2021							
	Land & Buildings	Work in Progress	Motor Vehicle	Equipment	Furniture	Library	Books
Opening net book amount (1 April 2021)	1,348,668,093	30,275,789	11,901,791	167,709,490	3,357,921	2,395,671	1,564,308,756
Additions	8,406,355	4,841,589	3,755,684	16,285,195	765,672	272,494	34,326,989
Additions - transfer from CIP							(426,975)
Disposals			(1,791,906)	(317,249)			(2,109,155)
Depreciation	(9,788,599)		(2,164,191)	(47,556,486)	(692,936)	(942,791)	(61,145,003)
Depreciation on disposal			1,254,334	174,757			1,429,091
Closing net book amount (31 March 2022)	1,347,285,849	35,117,378	12,955,712	136,295,707	3,430,657	1,725,374	1,536,810,677
At 31 March 2022							
	Land & Buildings	Work in Progress	Motor Vehicle	Equipment	Furniture	Library	Books
Cost	1,405,214,852	35,117,378	30,823,892	443,783,180	8,288,700	10,891,378	1,934,716,240
Accumulated depreciation	(57,929,003)		(17,868,179)	(307,487,491)	(4,858,025)	(9,166,003)	(397,308,701)
Net book amount	1,347,285,849	35,117,378	12,955,713	136,295,689	3,430,675	1,725,374	1,536,810,678

BOTSWANA INTERNATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY ANNUAL FINANCIAL STATEMENTS for the year ended 31 March 2022

13 Right of Use asset

The carrying amounts of right of use assets are included in the following line items

Non Current assets - Right of Use

Additions to right of use of assets

Depreciation Non Current assets - Right of use

	2022 P	2021 P
Non Current assets - Right of Use	663,161	307,113
Additions to right of use of assets	566,787	
Depreciation Non Current assets - Right of use	159,350	179,251

Depreciation recognised on the right of use asset is presented below. It includes depreciation which has been expensed in the total depreciation charge in Profit and loss (note 8), as well as depreciation which has been capitalised to the cost of other assets

Lease Liabilities

The maturity analysis of lease liabilities is as follows

Opening lease Liability

additions

lease payment in the period

Interest expense

Present value of minimum lease payments

	2022 P	2021 P
Opening lease Liability	134,569	308,916
additions	566,787	-
lease payment in the period	(171,168)	(181,154)
Interest expense	2,867	6,806
Present value of minimum lease payments	533,054	134,569

Present value of minimum lease payments due

Opening lease Liability

additions

lease liability

	2022 P	2021 P
Present value of minimum lease payments due		
Opening lease Liability	134,569	308,916.27
additions	398,486	(174,348)
lease liability	533,054	134,569

The University had a lease for one for a property it rented in Palapye (Fengyue). The lease expired in February 2022 and was not renewed. The leases that were reflected in the statement of financial position as right of use asset and a lease liability has now be fully depreciated and the corresponding liability been fully paid respectively

Right of Use Assets

Total cash outflow for leases for the year ended 31 March 2022 was P136,425 (2021 : P181,154)

Additional information on the right of use asset by class of assets is as follows:

Carrying amount (note 13)	Depreciation expense	Impairment
Building	694,649	159,350
	694,649	159,350

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The right of use assets are included in the same line as where the corresponding underlying assets would be presented if they were owned by the University. There were no additions to the right of use assets in the current year

Lease liabilities

Maturity analysis- contractual undiscounted cash flows

Minimum lease payments due

- within one year
- with second to fifth years
- Later than five years

less: future finance charges

Present Value lease payments

Non current

current

	2022 P	2021 P
	225,269	136,426
	360,308	-
	-	-
	585,577	136,426
	(52 523)	(1,857)
	533,054	134,569
	344,125	-
	188,929	134,569
	533,054	134,569

For the cancellable lease, the University has chosen not to recognise a lease liability. Payments made under this lease are expensed on a straight line basis. In addition, any variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred. The lease period is 3 years at a borrowing rate of 6.5%.

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14 Inventory

2022 P	2021 P
1,997,117	1,204,877

Inventories comprise mainly of consumer goods and stationery. This stationery is kept centrally in store and ordered centrally by all University Departments. These are shown at the lower of cost on the basis of average cost and net realisable value. Net realisable value is the replacement cost of the inventory. Provisions are made for obsolete, slow moving and damaged inventories. All inventory has been disclosed and the University has in the current period not recognise any inventory as an expense.

15 Other receivables

	P	P
Tuition fees	26,044,112	30,644,363
Prepayments, advances and deposits	9,108,790	7,794,068
Loss Allowance	(2,790,963)	(2,426,248)
Other receivables	2,647,228	543,213
	35,009,166	36,555,396

The fair values of other receivables are as follows:

Tuition fees	23,253,149	28,218,115
Prepayments, advances and deposits	9,108,790	7,794,068
Other receivables	2,647,228	543,213
	35,009,166	36,555,396

Expected credit loss

Tuition fees

Not past due	22,672,223	23,865,910
31-60 days past due	110,234	3,997,922
91 days past due	19,440	2,780,531
	22,801,897	30,644,363
Past due	3,242,215	2,780,531
Past due but not impaired	3 693,467	354,283

Prepayment, advances and other receivables

Not past due	2,792,415	344,512
31-60 days past due	3,295,260	915,417
91 days past due	2,424,254	7,077,351
	8,511,929	8,337,280
Past due	2,424,254	7,077,351
Past due but not impaired	2,424,254	7,077,351

Categories of financial assets - Amortized Cost

Trade and other receivables	25,900,377	28,761,328
Cash and cash equivalents	34,101,186	47,027,341
	60,001,563	76,521,366

There we no assets at fair value through the profit and loss, derivatives used for hedging or available for sale financial instruments.

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Exposure to Credit Risk

Trade receivables inherently exposes the University to credit risk, being the risk that the University will incur financial loss if customers (including staff and students) fail to make payments as they fall due. A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor (student) discontinues study at the University and is no longer traceable.

Trade receivables which have been written off are not subject to enforcement activities. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. BIUST does not hold any collateral as security. The University measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS

9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime credit losses are estimated using a provision matrix. This matrix is developed by using past default experience of debtors and by assessing the debtor risk by their customer segments. Following the University's adoption of IFRS 9, the estimation technique explained above has been applied for the first time in the current financial period.

Trade receivables were previously impaired only when there was objective evidence that the asset was impaired. The University's historical credit loss experience does not show significantly different loss patterns for different customer segments. As the University's largest debtor, the Government of Botswana receivables will be received. Other receivables are analysed per the matrix explained above and as shown below.

Expected Credit loss

Loss allowance from IFRS 9 review

2022 P	2021 P
Estimated gross carrying amount at default	Estimated gross carrying amount at default
2,790,963	2,426,248
2,790,963	2,426,248

Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts

16 Cash and cash equivalents

Cash and cash equivalents

Cash at bank

2022 P	2021 P
34 101 186	47 027 341

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Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterpart default rates. The University regularly review secondary data on ratings to assess any risks that may arise from time to time.

Cash at bank and short-term bank deposits		2022	2021
African Alliance	Not rated	2,602	0
First National Bank of Botswana Limited	Not rated	13,242,607	8,030,398
BancABC Limited	Not rated	132,109	186,980
Stanbic Bank Botswana Limited	Not rated	18,258,026	38,217,336
Standard Chartered Bank Botswana Limited	Not rated	2,465,842	592,628
		34,101,186	47,027,341

BIUST keeps cash deposits with major banks with high quality credit standing and limits exposure to any one counter party. These deposits were kept with First National Bank of Botswana Limited, Stanbic Bank Botswana Limited, Standard Chartered Bank Botswana Limited and BancABC Limited as per analysis above. There are no credit ratings for banks available in Botswana. First National Bank of Botswana Limited is listed on the Botswana Stock Exchange and is a subsidiary of First Rand Holdings Limited, a company listed on the Johannesburg Stock Exchange.

BancABC is a subsidiary of Atlas Mara. BancABC has its primary listing on the Botswana Stock Exchange and a secondary listing on the Zimbabwe Stock Exchange. Bank Gaborone and Stanbic Bank are unlisted registered banks while STANLIB is a subsidiary of Stanbic Bank. The University is exposed to credit risk arising out of the cash and cash equivalents holding. The University manages this risk by periodically reviewing the secondary data on ratings to assess any risks that may arise from time to time. Assets are spread through various financial institutions to spread any residual risks. This is done quarterly or even more frequently and normally when new funding is received from government. None of the financial assets that are fully performing have been renegotiated during the year. Cash and cash equivalents are carried at fair value.

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17 Capital Grants

	2021			
	Development P	Capital Fund P	Accumulated Fund P	Total P
Balance at beginning of year (1 April 2020)	61,815,606	1,542,110,798	(122,633,765)	1,481,292,639
Grants received - development projects				-
Grants received - designated projects				-
Additions (assets) recurrent budget		14,221,020		14,221,020
Transfer - development funds additions	(67,904,246)	67,904,246		-
Transfer - designated funds additions		1,769,902		1,769,902
Disposal of assets		(79,445)		(79,445)
Grants utilised on Land & Building (additions)				-
liquidated damages	8,670,763			8,670,763
Designated funds Utilised during the year				-
Amortisation of capital grants		(61,617,772)		(61,617,772)
Surplus (Deficit) for the Year			(14,581,729)	(14,581,729)
Balance at end of year (31 March 2021)	2,582,123	1,564,308,750	(137,215,496)	1,429,675,377
	2022			
	Development P	Capital Fund P	Accumulated Fund P	Total P
Balance at beginning of year (1 April 2021)	2,582,123	1,564,308,750	(137,215,496)	1,429,675,376
Grants received - development projects	81,121,820			81,121,820
Grants received - designated projects				
Additions (assets) recurrent budget		11,927,001		11,927,001
Transfer - development funds additions	(30,209,926)	30,209,926		
Transfer - designated funds additions		1,620,253		1,620,253
Assets Written off		(8,833,330)		(8,833,330)
Assets Disposed		(680,064)		(680,064)
Designated funds Utilised during the year				
Amortisation of capital grants		(61,272,864)		(61,272,864)
Surplus (Deficit) for the Year			(54,221,087)	(54,221,087)
Balance at end of year (31 March 2022)	53,494,018	1,537,279,673	(191,436,579)	1,399,337,110
	(53,494,018)	(1,537,279,673)		

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

18 Development Grants

Balance at beginning of year
 Grants received - development projects
 Additions - Development funds
 Liquidated Damages

2022	2021
2,582,123	61,815,606
81,121,820	-
(30,209,926)	(67,904,246)
-	8,670,763
53,494,018	2,582,123

19 Retention payable

Balance at beginning of year
 Retention during the year
Balance at end of year

2022 P	2021 P
1 1,839,580	17,249,573
(11,839,580)	(5,409,993)
-	1 1,839,580

20 Trade and other payables

Accruals and other payables
 Deferred income
 Provisions (Note 21)

2022 P	2021 P
23,488,701	14,412,939
20,999,331	24,523,333
1 13,819,024	1 18,678,670
158,307,056	157,614,942

Categories of Financial liabilities - amortised cost

Trade and other payables
 Government grants

23,488,701	14,412,939
-	-
23,488,701	14,412,939

There were no liabilities at fair value through profit and loss, derivatives used for hedging or available for sale financial instruments

21 Provisions

As at 31 March 2020
 Provision for the year
 Payments during the year
 As at 31 March 2021
 Provision for the year
 Payments during the year
 As at 31 March 2022

Gratuity P	Leave Pay P
48,367,408	41,907,851
42,967,082	22,505,225
(28,375,170)	(8,693,729)
62,959,320	55,719,347
47,250,346	14,892,745
(49,665,933)	(17,336,804)
60,543,735	53,275,289

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21 Cash flows from operating activities

	2022 P	2021 P
Operating (deficit)/ surplus	(54,221,087)	(14,581,729)
Adjustments for:		
Depreciation on property, plant and equipment (Note 12)	61,145,003	61,599,381
Amortisation of intangible asset (Note 11)		18,391
Amortisation of capital grant (Note 18)	(61,952,928)	(61,617,772)
interest income	(38,890)	(50,672)
Depreciation on RoU	159,350	179,251
Assets Written Off (impairment of WIP)		
interest on lease	2,867	6,806
(Loss)/Profit on disposal of assets	(146,499)	(27,817)
Adjustments for:		
Inventory	(792,240)	(324,333)
Other receivables	1,546,229	(698)
Retention payable	(11,839,580)	(5,409,993)
Trade and other payables	692,114	24,771,930
Cash generated from/(utilised in) operations	(65,445,661)	4,562,744

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22 Related party transactions

All transactions with related parties are carried out during the normal course of the University's operations.

The following transactions were carried out with related parties.

	2022	2021
Senior management - salaries and allowances	6,148,228	5,247,319
Senior management - post employment benefits	4,920,27	5,187,582
Council Expenses	6,026,657	840,470
Government of Botswana - subventions received	44,070,957	496,287,830
Government of Botswana - capital grants received	8,112,820	-
	52,907,430	507,563,202

23 Capital Work In Progress

	2022	2021
At 1 April	30,275,789	294,850,318
Additions for the year	4,841,589	67,904,247
Transfers to completed projects	(8,833,330)	(332,478,776)
As at 31 March 2022	35,117,378	30,275,789

24 Designated Funds

Opening balance	49,959,766	37,908,288
Received during the period	16,918,637	25,835,346
Prior period adj	(158,765)	
Transfers - current year (to income)	(14,823,008)	(12,013,966)
Transfers - current year (capital fund)	(1,620,252)	(1,769,902)
As at 31 March 2022	50,276,225	49,959,766

25 Cashflow from Financing activities - grants received during the year

Capital Grants received - Designated funds	16,918,637	25,835,346
Capital Grants received - Designated funds	81,121,820	-
Funds utilised during the year - Designated	(23,815,250)	(12,013,966)
Asset additions recurrent budget	(11,927,001)	(14,221,020)
	86,152,208	28,042,399

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26 Contingent liabilities

The University council and management confirmed that the contingent liabilities outstanding as at 31 March 2022 amounted to P2,677,431

27 Commitments

Capital expenditure approved and contracted by the University as at the reporting date is as follows

	2022	2021
Building Construction	5 0,981,062	10,679,871
	5 0,981,062	10,679,871

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	2022	2021
Building Construction	27,000,000	8,004,448

Capital expenditure is funded by grants from the Government of Botswana.

28 Going Concern

The University is expected to continue as a going concern, despite the losses that the University has been reporting in its financial statements. With declining levels of government support (subvention), the University has come up with strategic initiatives that will ensure that the University is commercially attractive and therefore be able to generate third stream income and other incomes. To ensure that the going concern status of the University is secure, the University is engaging government to normalise first stream income by providing subventions above the current funding level.

On an annual basis, the University aligns its budget to the level of funding expected in that year. This is done through various ways including reducing expense budget lines, freezing certain expense types like travel and the realignment of vacation positions. The University incurred a net loss P54 221 087 (2021:P12 581 729) During the year ended 31 March 2022 and, accumulated losses of P191 436 579 (2021: P137 215 495) and, as of that date, the university's current liabilities exceeded its current assets by P138 605 725 (2021: P134 761 243).

29 COVID-19

As the Covid-19 pandemic stabilises around the world, due mainly to the availability of vaccines and measures that the government had put in place to contain the disease, the University is continuing to assess any potential future impact on its operations.

In light of IFRS requirements to account for adjusting and non-adjusting events occurring after year end, management performed this assessment following IAS guidelines and definitions.

Like all institutions, BIUST was impacted by the covid-19 pandemic that was declared in March 2020. The University undertook all necessary measures for compliance to national protocols on prevention of spread of the virus. Following the provision of vaccines by the government, the University became a vaccination site and all students were offered vaccines on a first come first serve basis. Vaccines and booster shots remain available to all.

As covid 19 infection numbers and deaths have greatly declined, operationally, the pandemic will not affect the going concern status of the University. Whilst Government subvention funding have been declining since the advent of Covid 19, the University as a project, is engaging the Government to secure its first stream funding whilst also ramping up third stream income generation.

The pandemic is not expected to have any impact on the other sources of University revenue, student fees. The students numbers are expected to marginally increase.

30 Events after the balance sheet date

There have been no major events between the reporting date and the date of approval of these financial statements that may require adjustment or disclosure in the financial statements

BIUST STRATEGIC PARTNERS (local)



BIUST STRATEGIC PARTNERS (REGIONAL)



STRATEGIC PARTNERS (INTERNATIONAL)



